

the ju

Pelléas et Mélisande

by RONALD CRICHTON

big, the many press, the new Glyndebourne staging of Debussy's opera is very different from the previous one. The technical aspects of the production are of a high standard, and the British designers Patrick Jackson and Rosamund Veness, who have worked with the Glyndebourne company for many years, have produced a version utterly devoid of the usual operatic clichés. The production is a masterpiece of understatement, and the music, which is so often misunderstood, is here given the treatment it deserves. The cast is excellent, and the production is a masterpiece of understatement.



Michael Devlin and Anne Marie Blanzat

La Fenice, Venice

La vedova scaltra

by WILLIAM WEAVER

In the January issue of Opera, Hans Keller published a provocative article entitled 'Ermano Wolf Ferrari: the problem of the time'. In it, among other things, he discussed 'the problem of the time' of the opera. The article was a masterpiece of understatement, and the music, which is so often misunderstood, is here given the treatment it deserves. The cast is excellent, and the production is a masterpiece of understatement.

Although London life has changed considerably in recent years, one old-fashioned pleasure remains—that of being able to look at the summer exhibitions of Old Masters which are staged by various dealers.

Many of the pictures on view have long histories but one of the most important is a discovery. This is Mabuse's remarkable painting of St. Augustine in which the searching and meticulous depiction of characters derives from Van Eyck. The dourness of the features in this masterpiece of Flemish painting is offset by the delicious decorative quality of the pastoral staff which might well be of Spanish workmanship.

The 17th-century is also in force at the main gallery where the most significant work is Carlo Saraceni's *Death of the Virgin*, which again stresses the influence of Caravaggio. This intense and well constructed picture seems to be the original altarpiece for St. Maria della Scala in Rome and was later in the Elector's collection. Heideberg, and was recently at Ampleforth Abbey.

New Victoria

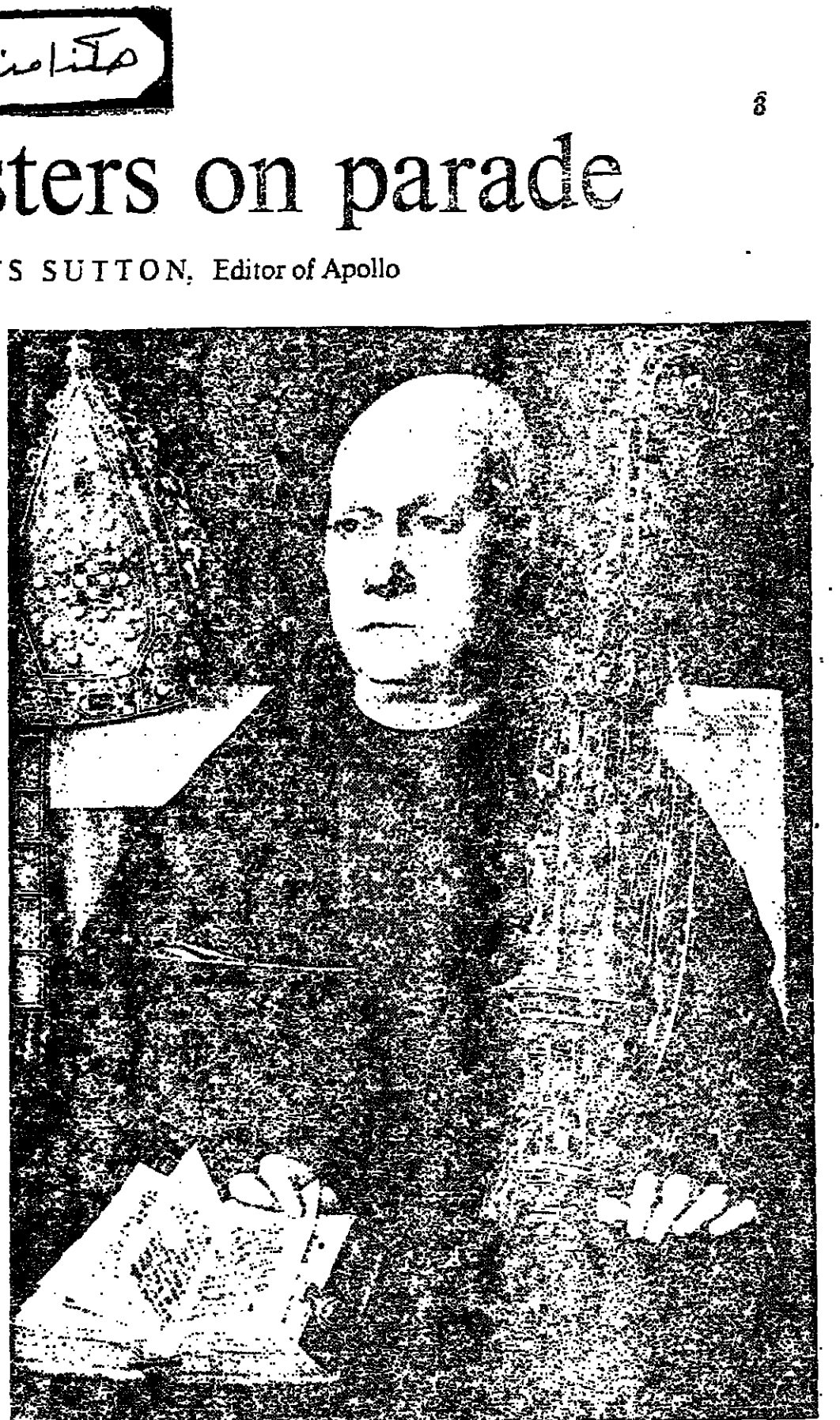
Janis Ian

by ANTONY THORNCROFT

There was a reverential hush in the closed ranks of the New Victoria on Sunday night as Britain saw for the first time Janis Ian, one of the mysteries of American popular music. Miss Ian makes Leonard Cohen seem quite boisterous with her lugubrious songs of what it is like to be a teenage ugly duckling.

RSC to tour U.K. with 'Henry V'

The Royal Shakespeare Company is to tour the U.K. this summer. Terry Hands's production of Shakespeare's *Henry V* with Alan Howard in the title role and Emrys James as Chorus is to be seen in four U.K. cities for instance— but lesser known men. One of the most amusing of these is Georges Bontin (1875-1916) who was a witty recorder of Paris night life, depicting brothels and bars.



Mabuse's 'Portrait of a Bishop'

Eastern region literary anthology planned

The Eastern Arts Association is inviting writers living in Bedfordshire, Cambridgeshire, Essex, Hertfordshire, Norfolk or Suffolk to submit items for possible inclusion in an anthology of writing from the eastern region to be edited by Angus Wilson and published by Secker and Warburg in 1978.

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WORLD TRADE NEWS

Japan's plant exporters have been losing major contracts to their European competitors whose governments provide better export credit facilities. A Bill has now been passed to expand the lending capacity of Japan's Export-Import Bank.

Closing the credit gap

BY MARGARET HUGHES, RECENTLY IN TOKYO

THE BILL increasing the lending capacity of Japan's Export-Import Bank was pushed through the Diet (Parliament) just before the closing of the Japan Machinery Exporters' Association. The association had feared that this Bill, which it regards as vital for the fulfilment of this year's plant exports target, might be delayed until the autumn. The current political upheavals in Japan, arising out of the "Lockheed scandal" has delayed the passing of several major Bills, including the crucial one authorising the flotation of deficit-financing bonds.

The raising of the Export-Import Bank's loan ceiling provides a much needed booster for Japan's plant exporters. Over the past month or so three major contracts have been lost to European competitors, whom the Japanese feel often have the advantage over them in financing terms and experience as well as geographical proximity to the big Middle East and East bloc markets.

Problem

In an interview with the Financial Times Mr. Shigeru Otsuka, executive managing director of the Japan Machinery Exporters' Association, which accounted for 43 per cent of total exports last year—said that the limitation of Ex-Im Bank lending was "a very serious problem" for plant exporters.

The financing which it provided had been sufficient to cover Japan's traditional export items—between \$20m. and \$40m.—but in the plant export field many of the projects were valued at \$100m. or more. Since the law of establishment of the Ex-Im Bank placed a ceiling on loan advances, a new bill was required to increase its lending capacity. At the same time the export credit insurance scheme, modelled on Britain's ECID, was "inadequate," he said. An additional problem was that plant exporters had to compete with European companies which had secured cost escalation cover from their respective governments. The Japanese do not have such cover. But, given Japan's more modest inflation rate they probably have less need for

cover than some of their competitors such as the British. In its 1976 budget proposals the Japanese Government had already increased the Ex-Im Bank's own loan quota by a little over 80 per cent. But with the ceiling on its lending set at four times own capital—of around ¥900bn.—it was only able to make advances up to a total of about ¥3,500bn. (\$10.6bn.). This the association considered to be far too low, bearing in mind the Government's own forecast that plant exports this year should be doubled to some \$12bn. It therefore urged the Government to step up the bank's lending capacity to a more realistic level. The new bill just passed in fact raises the ceiling from four times capital to ten times giving a maximum loan total of ¥35,000bn. (\$106.7bn.). Some plant exporters consider this to be still too low but this will obviously depend to what extent export hopes become firm contracts.

Rationalise

The Ex-Im bill also allows the bank to raise money on international capital markets for the first time. Although this form of fund raising is expected to be more costly than the bank's other sources, it will increase the volume of funds available. Increased provision has also been made for consortium financing with other Japanese banks and financial institutions.

The maximum allowed for export insurance by MITI's Export Credit Insurance Division had already been raised in the budget proposals from ¥3,100bn. (\$9.3bn.) to ¥4,500bn. (\$13bn.). These new proposals are expected to give new impetus to Japan's efforts to penetrate the plant export market—the major portion of the increased financing will be directed to this sector. With domestic demand still sluggish, Japan acknowledges that its economic recovery will have to be export led, with exports forecast to rise 11.9 per cent, this year to \$82.9bn. So far the trend is favourable with exports on a customs clearance basis in the first three months of this year up 16 per cent on the preceding quarter and April showing an 11 per cent increase on a month-to-month basis. But most of the increase has come from a sharp rise in shipments of Japan's motor vehicles, which were up 63 per cent. In April sales were up 63 per cent. In a year ago, electric appliances were valued at \$100m. or more

each and \$2.1bn. worth were above \$50m. each. Together these plant exports accounted for about 10 per cent of total exports last year—this year the share is expected to be between 17 and 18 per cent.

In the current year, Japan has already picked up another \$250m. ammonia contract in the Soviet Union and a \$200m. steel mill for Iran. But at the same time it has lost a \$600m. phosphate fertiliser project in Iraq to a European consortium headed by Sybetta of Belgium and a \$450m. ammonium fertiliser complex in Poland for which Mitsui planned to co-operate with British equipment suppliers to make use of ECID export financing. This contract was lost to a French competitor (a consortium led by Creusot Loire), as was one of the power projects Japan had been bidding for in Brazil. In both cases the Japanese claim that they were outbid by the better terms offered by the French contractors.

The Japanese exporters feel that one way of avoiding the loss of further contracts such as these—which they had been generally expected to win—will be to co-operate with its European competitors in consortium ventures. The main aim would be to share the financial burden. This they have already done in some extent with French and German contractors in a power generating project in Iran and again with the French for a desalination installation in Iran. But Mr. Otsuka pointed out that covering different stages of plant exports. A committee has now been set up to rationalise statistics and so make targets and forecasts more realistic, Mr. Otsuka said.

Last year Japan's plant exports, based on MITI approvals, totalled \$5.3bn., representing an increase of over 42 per cent on the previous year, while export contracts concluded last year were up by over 67 per cent to \$4.8bn. Among the major contracts signed were a \$668m. fertiliser project in Iran, a \$351m. project in Iraq, a \$251m. project in the Soviet Union, a \$200m. gas pipeline in Indonesia, a \$156m. power generating plant and equipment for Singapore and a \$116m. steel rolling mill for Argentina. exports to the area last year, the Middle East now accounts for 20 per cent of the total.

FT CONFERENCE

Sadat sees bigger role for private sector

By Peter Field

CAIRO, June 7. THE PRIVATE sector's role in industry, agriculture, tourism and other activities in Egypt is expected to increase, President Sadat said in a statement opening the Middle East Development Conference in Cairo today. The statement was delivered to the conference organised by the Egyptian Times and Al-Akhar by Egyptian Premier Mamdouh Salem.

President Sadat also said Egypt is doing all it possibly can "to reinforce and accelerate the attainment of peace in the region." The flow of capital from the industrial nations to Egypt and the developing nations is important, he said, but it can no longer be seen as a humanitarian obligation. It "must be understood to be an important prerequisite for international stability."

Egypt's Minister of Economy and Economic Co-operation, Mr. Muhammad Zaki Shafat, stressed the country could not go on depending on grants, other financial aid and short-term borrowing to finance a large balance-of-payments deficit. Nor could Egypt go on suppressing inflation through large-scale subsidies. The Government's objective, he explained, was a "dynamic, self-reliant economy." But the flow of foreign capital could not be expected to exceed the \$260m. five-year plan (1976-80) would depend on this.

Egypt is passing through a critical economic period, Mr. Shafat said, and has to go through the long-delayed process of rationalisation of consumption expenditures, both public and private. The declared policy of the Government, he said, is to push through major economic reform within the framework of the "open door" economic policy.

Foreign Minister Dr. Gamel El-Farouki said political and technical difficulties had not the Euro-Arab dialogue off to a slow start but several projects had been identified for cooperation between the EEC and the Arab League.

Problems remained, he said, particularly on trade liberalisation, the transfer of technology and guaranteeing Arab investments in Europe. However, the organisation and procedures of the dialogue had been agreed.

Mr. Reza Pirentice, Britain's Minister for Overseas Development, in a speech read for him by the British ambassador in Cairo, stressed the contribution Britain can make to third world development by identifying and working up projects to be financed by OPEC aid agencies.

Britain is setting up a special technical assistance fund to enable it to join with the Arab Fund for Economic and Social Development in mounting feasibility studies of a regional character in the Middle East. Other speakers included Egypt's Minister of Industry and Mineral Wealth, Mr. Issa Shaheen, the managing director of the Arab Financial Consultants Company of Kuwait, Dr. A. M. Al-Tanany, and Arab League under-secretary for economic affairs, Dr. Hussain Khalaf.

Iran awards \$30m. gas pipe contract

By Robert Graham

TEHRAN, June 7. ITALY'S SNAM PROGETTI and France's Sofrager are understood to have been awarded the contract for the engineering studies for the construction of the Iranian part of the giant pipeline carrying gas from southern Iran through the Soviet Union to West Germany, France and Austria.

The project, known as IGAT TWO, is expected to cost Iran a total of \$2.5bn. The present engineering contract is understood to be worth about \$30m. The award to these two companies is a blow for Britain's IMEG, which was responsible for the engineering of the first gas pipe line to the Soviet Union and had also tendered. The bids of the French and Italian companies were apparently substantially lower and Iran at present is in no mood to accept the highest tenders.

Soviet trade deficit with West grows

MOSCOW, June 7.

GRAIN purchases following last year's crop failure swelled the Soviet Union's trade deficit with the West in the first three months of 1976. But more favourable trade with Third World countries left Moscow with an overall improvement in its world trade balance.

Figures published in a supplement to the magazine Foreign Trade put the first quarter trade gap with the non-Communist industrialised nations at Roubles 1.3bn. (\$277m.). The figures were not itemised by goods bought and sold.

The figures were not itemised by goods bought and sold. Reuter

U.S. will impose import quotas on special steels

BY DAVID BELL

PRESIDENT FORD, campaigning in the heart of Ohio's steel country, announced today that the United States will impose quotas on imports of special steels under the terms of the 1974 Trade Act.

Mr. Ford's announcement, before an appreciative audience of steel workers, at first took Washington officials by surprise, but they later confirmed that quotas are to be imposed and said that the announcement had been planned for Friday, before Mr. Ford made it on the campaign trail.

The American Government has tried unsuccessfully to get the EEC and Sweden to agree to Orderly Marketing Agreements (OMAs) to obviate the need for

quotas. But it appears to have had some success with the Japanese who are reported to be on the verge of accepting an Orderly Marketing Agreement which would restrict their exports to the U.S. to somewhere in the region of 76,000 tons a year, or over half the total amount of special steel imported by the U.S. each year.

While the Japanese are understood to have agreed to this in principle, a final decision from Tokyo is not expected until Thursday and it had been intended that the Ford administration would announce its success with the Japanese on Friday morning.

Under the terms of the 1974 Trade Act, if one country accepts

an OMA, but others refuse to sign such an OMA, the U.S. will not clear what size these quotas will be, since their scope depends on part of the deal signed with the Japanese. There is also some doubt as to what years the quotas should be based on. In the four 1970-1974 the average import of special steel was 135,000 tons from all sources with the U.S. supplying over half. Sweden 11 per cent, and the almost all the rest. During four-year period Britain's was an average of 4,361 tons. Complete figures are not available for last year but total was rather higher than average—around 153,000 tons.

Brazil curbs foreign travel to halt outflow of funds

BY DAVID WHITE

RIO DE JANEIRO, June 7

IN ANOTHER last-ditch effort to help its balance of payments, Brazil has clamped down on foreign travel, imposing a compulsory deposit of \$1,150 which Brazilians and foreign residents will have to pay before going abroad.

The deposit, needed for a passport, exit visa or permission to embark, will be held for a year without monetary correction, which means an effective loss of several hundred dollars.

Explaining the measure, Sr. Mario Henrique Simoesen, the Finance Minister, said it was designed to stem an expected \$700m. outflow of funds through tourism this year. Brazil's tourist deficit in 1975 was around \$350m. and there was a sharp increase in the first quarter of this year. The move is undoubtedly the most unpopular in a series of restrictions designed to cut down

on "superfluous" spending—a temporary ban on imports of luxury goods, currency restrictions and the suspension of duty-free facilities.

With exceptions made for exporters, students, artists, missionaries and under certain conditions, journalists, the measure will add to the already formidable bureaucracy created under the recent restrictions.

Travel companies criticised the deposit measure because, they said, it penalised the middle-class tourist. The travel business is likely to be severely hit and the chairman of the Varig airline, Sr. Erik de Carvalho, said it would create "serious problems" in air transport.

Sr. Carvalho foresaw a drop of between 60 and 55 per cent in international bookings, which account for more than half the

airline's revenue, and doubts this could be compensated by increase in domestic traffic. year, \$40,000 Brazilians travel abroad.

On Brazil's other effort to repair its trade deficit, Sr. Paulo dos Reis Veloso, Planning Minister, said the Government did not intend further import restrictions. Present curbs, he said, at a Paulo press conference, were adequate to ensure a rebalancing of imports in the second half of this year.

Brazil's trade deficit in the first four months of the year calculated at \$1.2bn, down \$1.6bn. in the same period year, but already over the Government's earlier target for year as a whole. Exports January to April fell 50 per cent to \$2.5bn.

Greek shipowners optimistic

BY JOHN WYLES

PIRAEUS, June 7

AN OPTIMISTIC view of shipping prospects was given here today by Mr. Anthony Chandra, president of the Union of Greek Shipowners, at the opening of the fifth Posidonia International Shipping Exhibition which in its size and presentation bears little testimony to the industry's current world-wide recession.

This year's Posidonia is the largest ever staged with more than 400 companies from 29 countries exhibiting. Their attendance underlines the importance of Greek shipping since few of the exhibitors leave Piraeus with much new business.

However, Greek shipowners spend an estimated \$8bn. (\$4.6bn.) a year operating, maintaining and renewing their 4,500 vessel fleet. Few of the world's leading shipbuilders, ship repairs, marine engineers and marine brokers and bankers feel that they can afford to stay away. Most hope to cement existing contacts, to make new ones and to pick up trails leading to new business opportunities.

Moreover, as Mr. Chandra explained at a Press conference, Greek interests have been largest purchasers of new in recent months. An advantage of rock bottom available from the world's yards orders have been 9 for 130 bulk carriers, dry and other merchant ships.

Orders new vessels unless possesses a degree of optimism for the medium- and long future of his industry," he

BALANCE SHEET AS AT 31ST DECEMBER, 1975

Annual General Meeting of 24 April 1976.

On 24th April, 1976, the Members' Annual General Meeting, presided over by Cav. Lav. Dr. Ing. Carlo Pesenti, approved the Balance Sheet and accounts to 31.12.1975 showing a net profit of Lit.3,053,411,213. The whole of this was placed to reserve. The Bank's Capital and Reserves now amount to Lit.38,000m.

Though many contingent difficulties had to be overcome, careful management policy has enabled a strong flow of business to be maintained and thus the achievement of substantial results in all departments. Lira deposits show an increase of 31.4 per cent; savings deposits show a remarkable increase of 47.5 per cent.

Total deposits have further increased reaching Lit.2,077,000m., against Lit.1,604,000m. of 1974, made up as follows: 446,581,299,089 savings deposits, 865,391,195,212 customers' current accounts and Lit.765,562,881,474 banking correspondents in Italy and abroad.

In the investments field, particularly the current accounts with customers show an increase of 21.2 per cent going from 732,000m. to Lit.879,000m., while bills discounted increased by 54.6 per cent.

The Bank's foreign trade activities have been more than satisfactory. On the whole in 1975 Import/Export activities showed an increase of 18.8 per cent against 2.8 per cent on the national level. In particular the issue of export permits showed an increase of 59 per cent (against 14.8 per cent on the national level).

Terminals for immediate transmission and reception of data relative to foreign business have been installed in all Main Branches

and at the Head Office in order to speed up all operations in this important department. In the Securities sector good results have been obtained in fixed interest securities, while there was a drop of activity in the Shares sector.

The ramifications of the new and technologically advanced "Borsini" system which was installed last year in many Main Branches, enabled us to maintain good contacts with our customers.

The modernisation of a number of Main Branches and Offices and the transfer of the Mestre Branch and the Milan Agency no. 2 into their new premises underline the Bank's constant attention to improving its efficiency and organisation so as to make it better able to satisfy the requirements of its customers.

The Meeting appointed a new Director in the person of Dr. Roberto Rosso.

Thus the Board of Directors consists of the following: Chairman: Cav. del Lav. Dr. Ing. Carlo Pesenti; Directors: Dr. Carlo Aloisi, Cav. Cr. Dr. Massimo Spada, Dr. Arrigo Gasparini, Cav. del Lav. Dr. Vincenzo Cazzaniga, Avv. Marcello Giovannini, Mr. Ernesto Jaeger, Dr. Ing. Ettore Lelli, Dr. Ing. Giampiero Pesenti, Cav. Pietro Ravano, Dr. Roberto Rosso, Mse Cav. Gr. Cr. Dr. Raffaele Travaglini di Sina Rita.

Dr. Franco Barlassina, Secretary of the Board.

The Board of Auditors remains as follows: Chairman, Dr. Tito Olivari; Members: Dr. Luigi Agnes, Dr. Luigi Aldrichetti, Dr. Pier Giorgio Barlassina, Dr. Antonio Bartezzati, Dr. Giuseppe Apolloni, Dr. Ettore Rossi.

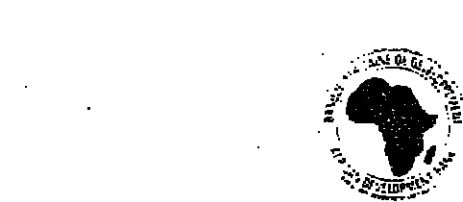


ISTITUTO BANCARIO ITALIANO

ASSETS		LIABILITIES	
CASH:		Savings deposits	446,581,299,089
in hand, coupons and other demand items	68,740,879,760	Demand deposits	865,391,195,212
Available balances with banks	469,027,293,797		1,311,972,494,301
		Banking correspondents	
Deposits with central bank		—Italy	566,183,816,017
INVESTMENTS:		—Abroad	199,379,015,457
—Government Securities	48,922,186,490		765,562,831,474
—Bonds	208,280,184,571	Advance with central bank	21,552,531,886
—Shares and holdings	5,144,393,631	Accounts with Italian Exchange	53,724,000,000
Contingent		Office	38,664,445,209
Bills discounted	114,931,444,395	Drafts issued	50,687,559,063
Customers' current accounts	879,132,545,418	Holders of bills for collection	37,363,550,281
Credits towards controlled and associated companies	7,690,788,132	Sundry debtors	22,213,693,795
Correspondents' current accounts	204,108,319,514	Accruals and repayments	10,637,010,830
Sundry debtors	40,719,628,197	Tax fund	2,500,000,000
Premises	17,281,730,898	Staff severance fund	14,156,662,049
Machinery	2,496,140,346	DEPRECIATION FUNDS	
Equipment and furniture	2,640,778,260	—Premises	2,878,320,518
		—Machinery	1,766,321,832
Bills for collection	23,707,688,947	—Equipment and furniture	1,819,637,955
Staff severance fund investment	405,618,642		6,464,280,305
Accruals and repayments	8,104,302,384	CAPITAL	
LIABILITIES OF CUSTOMERS		—Legal reserve	10,000,000,000
FOR ENGAGEMENTS		—Extraordinary reserve	2,079,363,517
—Letters of credit, acceptances, securities	311,594,036,209	—Credit risks fund	13,928,720,125
—Securities to be received or delivered	23,338,283,622		9,000,000,000
—Forward exchange bought and sold	906,591,873,943	Undistributed profit brought forward	8,892,986
		Profit for year	3,053,411,213
CONTINGENT ACCOUNTS		LIABILITIES FOR ENGAGEMENTS	
—Securities in deposit	402,092,102,673	—Letters of credit, acceptances, securities	311,594,036,209
—Depositories and securities	174,473,738,385	—Securities to be received or delivered	23,338,283,622
—Directors' guarantees	2,200,000	—Forward exchange bought and sold	906,591,873,943
			1,241,524,193,774
			3,605,094,040,808
TOTAL	4,181,662,081,866	CONTINGENT ACCOUNTS	
		—Securities in deposit	402,092,102,673
		—Securities with third parties	174,473,738,385
		—Directors' guarantees	2,200,000
			576,568,041,058
		TOTAL	4,181,662,081,866

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CREDIT COMMERCIAL DE FRANCE



May 1976

مكتبة

Uruguayan envoy wounded by gunman

WASHINGTON — A gunman, firing from a short distance, seriously wounded the Uruguayan ambassador to Paraguay, Carlos Abdala, as he was leaving a meeting of experts of the Uruguay Economic Organization in Buenos Aires.

Security guards immediately arrested the gunman, whose identity has not yet been made known, although it is understood he is a Croat, Paraguayan Foreign Minister Alberto Nogueira later speculated that the target for assassination was not the Uruguayan but the Yugoslav ambassador and that the assassin made a mistake.

Torres body flown out

The body of former Bolivian President Juan Jose Torres, who was abducted and murdered in Buenos Aires last week, was flown to Mexico City yesterday aboard a scheduled commercial flight, writes Robert Lindley. It was the last-minute decision by his widow to reject an offer by the Bolivian President, Gen. Hugo Banzer, to give Gen. Torres a state funeral that obliged a Bolivian air force aircraft flown to Buenos Aires at the weekend to return without his body. Gen. Torres, a left-winger, was deposed in 1971 after ten months in power.

Tyre dispute talks

Firestone Tyre and Rubber said negotiators for the company and the United Rubberworkers Union were to meet in Washington yesterday with a federal mediator. Reuter reports from Akron, Ohio. The head of the Federal Mediation and Conciliation Service, Mr. James Beane, called the meeting to try to end the seven-week rubberworkers' strike against the four major U.S. tyre companies.

Kissinger in Bolivia

U.S. Secretary of State Dr. Henry Kissinger has arrived in Bolivia amid one of the biggest displays of security ever seen in the country following left-wing protests against his 15-hour stopover. Reuter reports from Santa Cruz. He was due to have talks with President Hugo Banzer and Foreign Minister Oscar Adriazola before flying to Santiago, Chile, for the general assembly of the Organisation of American States.

Ford men's benefits

THE LABOUR Department has ruled that 22,000 workers at Ford Motor parts plants in Ohio and Michigan are eligible for federal trade adjustment benefits because they were laid off due to increased sales of imported cars and car parts.

THE OHIO PRIMARY

Why Carter must win

BY DAVID BELL

WASHINGTON, June 7.



OHIO IS the one state that Mr. Jimmy Carter knows he cannot afford to lose today. He must win a large share of the 152 delegates at stake if he is to have a real chance of Democratic nomination for Presidential election on the first ballot. A bad showing here could be a fatal blow to his carefully fostered, if slightly faded image of invincibility.

For the last time in this primary series his opponent is the indefatigable Rep. Morris Udall, still without a victory anywhere, but still trying, as he puts it, to "smoke out" Mr. Carter and force him to be more specific. Mr. Udall has a series of barbed television commercials attacking Mr. Carter's "fuzziness" and has campaigned remorselessly as he did in Michigan, the state next door.

But Ohio, America's sixth largest state, is surprisingly different from its neighbour. It has no one urban centre. Several grey and ageing cities like Cleveland and Akron give the state a solid industrial base, but each community is proud of its own independence, particularly at primary times. Most of them are still heavily Democratic—places where the melting pot has not quite melted, with a strong ethnic and Black vote. Yet Ohio is also a state of small towns and farms and parts of it remind the visitor or states much farther south, even down to the strong fundamentalist streak that is much in evidence.

More conservative than Michigan, where Mr. Udall utilised his liberal support to come from behind and was building up steam in the state until he had to suspend his campaign, first because of illness and then because of the dam burst in his home state of Idaho.

Mr. Carter meanwhile has begun perceptibly to change his campaign style. With the aid of a new speech-writer he has begun to use more "Presidential" material, to concentrate less on himself and more on his policies and his "vision" of the future.

For President Ford when he arrived in Cleveland last night there were muted boos from on-lookers outside the hotel where he was speaking, but these will probably not have worried him too much. He has the support of almost every Republican who matters in the state and Mr. Reagan is not even on the ballot in some districts.

But the real interest in Ohio will be in the Democratic race. Even Mr. Udall has conceded that a big Carter victory in Ohio would almost certainly deliver the Democratic nomination to the former Georgia governor, DeLoach, or a poor showing, however, will probably have Senator Hubert H. Humphrey, California Governor Jerry Brown and others again leaping up before the public eye even as the computers are tabulating to-morrow's vote.

On the one hand, Mr. Carter and, on the other, the so-called uncommitted convention delegates controlled by the state party machine.

Although officially no other Democratic candidate is running against Mr. Carter, the "uncommitted" group of delegates has made no secret that it favours first Mr. Humphrey and then Mr. Brown. While Mr. Brown has done little or no local campaigning, his father and other relatives have been standing in for him and have capitalised on this support.

Mr. Carter has the support of New Jersey Governor Brendan Byrne, but even this, given before party splits became bitter and clearly on the assumption that Mr. Humphrey would not stand, could later be withdrawn.

Such prominent local Democrats as Watergate impeachment Representative Peter Rodino and Newark Mayor Kenneth Gibson have maintained their neutrality.

Capital spending plans cut

By Our Own Correspondent
NEW YORK, June 7.

CAPITAL spending by the largest U.S. companies was lower than expected during the first three months of this year, the Commerce Department said today. Nevertheless, it added, a current survey shows that businesses are now apparently preparing to spend more than previously expected during the current quarter and the rest of this year.

The federal Government analysis this morning coincides with a private survey by the conference Board, a business research group, showing that capital spending plans by America's 1,000 largest companies were cut 12 per cent. during the quarter against the level seen in the final three months of 1975.

The Commerce Department, whose study looks at a greater number of companies, said that U.S. business aims to spend \$121.1bn. on new plant and equipment this year, a 7.2 per cent. rise on 1975. It added that three months ago its forecast was for expenditure totalling \$120.1bn.

Actual first quarter spending, the department said, was \$114.7bn., down 2.6 per cent. on earlier projections.

Taking the narrower view, the conference Board noted that spending plans by the largest companies fell from \$122.7bn. at the end of 1975 to \$111.1bn., the largest reduction coming in the petroleum industry. The research group projected that appropriations (that is spending plans) would increase 12 per cent. this year.

Cuban threat to end U.S. hijack pact

HAVANA, June 7.

PRIME MINISTER Fidel Castro has threatened to cancel an anti-hijacking agreement if the U.S. Government does not prevent further bomb attacks against Cuba's United Nations mission in New York.

Dr. Castro, addressing a rally here last night after an explosion at the mission, also said that Cuba had never had to resort to terrorism, but added: "Let nobody doubt that we would be efficient terrorists."

Dr. Castro said that Cuban commitment to the agreement "will not be eternal and will depend on what steps the U.S. Government takes to prevent further crimes against our fishermen and diplomats."

Many feared killed after Idaho river dam collapse

By Our Own Correspondent
WASHINGTON, June 7.

AS THE flood waters in Idaho's Snake River Valley began to recede today the full extent of the loss of life and damage caused by the collapse of an earth dam on the Teton River two days ago is becoming apparent.

Five people have been found dead so far but some estimates put the number of missing at more than 100 and fears are growing that there may be a sizeable number of people buried in the mud that has overwhelmed the small communities below the dam. Some 30,000 people have been evacuated from their homes and 7,000 houses have been destroyed.

A preliminary assessment puts total damage at close to \$1bn. although it is too early to put a precise figure on it.

President Ford has declared the region a disaster area which makes it immediately eligible for federal aid and Sen. Frank Church, who broke off his campaigning in Ohio to fly to the scene, said that it was up to the strong argument by a former

federal Government to make good the damage since it had been building the dam.

Hard on the heels of the disaster a major controversy has broken out about the siting and construction of the 310 ft. high dam, which is now only half intact. Mr. Harry Stivers, assistant director of the area office of the Federal Bureau of Reclamation, which was investigating a leak in the dam just before it burst, said yesterday that about 4bn. cubic yards of dirt and rock had been blown loose from the 243m. structure.

First conceived in 1964, the dam was fiercely opposed by environmentalists, partly on the grounds that it was being built in a "geological fault zone." The issue went to court with the opponents arguing that the federal impact statement about the dam did not pay sufficient attention to the underlying geological conditions. Despite a

Bureau of Reclamation geologist that the project was unsound, a federal judge upheld the decision to construct the dam which was completed last autumn.

In court, Mrs. Shirley Pytklik, the geologist, argued that core-drilling holes made in a test had soaked up 300 gallons of water a minute. "If this much water can be absorbed by drilled holes, how much would leak from the whole reservoir?" she asked.

There has been no official explanation of the disaster yet but just after it happened several eye witnesses maintained that there had been what looked like a massive earth movement. Two federal officials were reported last night however to have reached the preliminary conclusion that a corner of the dam began crumbling because water seeped through three "grout" curtains constructed between the earth of the dam and the rock of the Teton River bed.

\$25m. to get smelters back to normal output

By Robert Gibbens

ALCAN Aluminum says it will let staff enter. However, the union threatened to defy any court injunction unless the company agrees to reopen the contract signed earlier this year.

This contract provided for a first-year increase of 8 per cent. and major industries in Canada have been setting for first-year increases of up to 14 per cent. Roughly half of Alcan's 1m. short tons Canadian ingot capacity remains shut down because all Quebec smelters are struck except one. The impasse with the Federation of Aluminum Unions in Quebec remains unchanged.

'Canada might lift wage controls'

OTTAWA, June 7.

THE GOVERNMENT will consider lifting wage and price controls before the programme's three-year term is up in autumn 1975, if inflation by "some miracle" falls to 4 per cent. annually, Prime Minister Pierre Trudeau told the annual meeting of the Canadian Manufacturers' Association.

Mr. Trudeau said that the 4 per cent. inflation level rather than a definite time span was the primary intention of the controls.

Censorship easing in Brazil

By David White
RIO DE JANEIRO, June 7.

THE GRADUAL move towards greater press freedom in Brazil has gained pace with the lifting of censorship on the weekly news magazine *Veja*. The federal police in Sao Paulo announced that as from this week, the magazine would not have to send its proofs for prior approval.

Direct censorship is now limited to two newspapers, including the Catholic Church's *diocesan paper* in Sao Paulo, two weekly current affairs magazines and a series of glossier publications which are supervised more for moral than political reasons.

Censorship on *Veja* was stopped for a short time after President Ernesto Geisel took over the Presidency in March, 1974, but was reimposed following the publication of cartoons referring to security methods. In one of these, a man was depicted hanging by his wrists from a prison wall, with a voice coming from the corridor saying, "No evidence."

Observers connected the ending of censorship with the recent resignation of the magazine's editor, Sr. Mino Carta, following differences with the publishers. Restrictions on the *Veja* Sao Paulo newspaper, *O Estado de Sao Paulo*, were stopped at the beginning of last year.

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Gierek likely to sign two major economic deals on Bonn visit

By LESLIE COLITT

BERLIN, June 7.

WEST GERMANY is attaching considerable weight to the four-day official visit of Mr. Edward Gierek, the Polish Communist party chief, beginning tomorrow. It is the first time that a Polish leader has come to post-war West Germany as a sign of a broad reconciliation between the two countries.

Chancellor Helmut Schmidt is personally to greet the Polish party's first secretary when he arrives at Hamburg airport. He will confer with Herr Schmidt at the Chancellor's home in Hamburg before leaving for Bonn on Wednesday for further talks.

The culmination of the visit is expected to be Friday's signing in Bonn of two major economic co-operation agreements between Polish and West German companies. West Germany is also hoping to sign a cultural agreement with Poland, to include Berlin, the same day.

The West Germans are already Poland's main trade partners in the West, with a total volume last year of DM4.6bn. (€1,300m.). Poland imports more from West Germany than any other country apart from the Soviet Union, and last year Warsaw's trade deficit with West Germany was nearly DM1.5bn. The cumulative Polish deficit in trade with the West Germans over the past five years is estimated to stand in excess of DM5bn.

Poland's gaping trade debt with West Germany is one explanation for the two economic co-operation agreements to be signed between the two countries. A Krupp-led consortium is to build two coal gasification plants, using the Krupp-Koppers process, in Poland's upper Silesia region, as well as a series of downstream chemical plants worth a total of DM2.65bn., one of the largest single West German deals with a Comecon country.

The ammonia and urea to be derived from the synthetic gas is to be used in the production of chemical fertilisers, while methanol is to be separated for use in improving the octane grade of petrol.

A joint West German-Polish company is to buy back these products for sale in the West, enable the Poles to repay the West German financing of the deal, which is being handled by a consortium of banks headed by the Dresdner Bank. The question of interest rate levels and West German Government-backed export credits is reported to have been the subject of intensive and complicated discussions between the Poles and West Germans in recent weeks.

The other major co-operation project involves the extraction of Polish copper reserves in the Lublin area, believed to be Europe's largest. By a West German consortium, headed by Metallgesellschaft, the project is estimated to be worth DM300m. and West German credits for the machinery and equipment are to be repaid by Polish deliveries of 40,000 tons of copper a year over a period of 12 years.

In an interview with the West German magazine *Der Spiegel*, Mr. Gierek said that in the future Poland will have to reduce its trade gap with West Germany with the help of "joint exports to third markets".

The Polish leader also hinted at the actual level of Polish indebtedness to all Western countries, which has been estimated at some \$6bn. to \$8bn. He said the annual growth in Polish investment is 9.4bn. and that if Poland were to keep its investments at the present level, it could "pay off the entire debt" within the help of "joint exports to third markets".

In the course of his visit Mr. Gierek will also meet the West German Christian Democratic opposition leader, Herr Helmut Kohl, in the Rhineland Palatinate.

With West Germany well into recovery, Adrian Dicks explains why the CDU is ... Casting around for electoral weapons

THE ROUND of pre-election party conferences in West Germany will draw to a close next week when the governing Social Democrats come together in Dortmund. The two that have already occurred—those of the Free Democrats and of the Opposition Christian Democratic Party—have failed to highlight any new issues in this election campaign; indeed, they have watched issues wither away.

With the recent clear fall in unemployment the German economic situation has reached the point where Chancellor Schmidt and his SPD coalition partner Herr Hans-Dietrich Genscher, can claim almost complete success in piloting Germany through the recession. There is still some worry about prices, but the overall trend makes the economy a tough question for the CDU leader, Dr. Helmut Kohl, to turn to his advantage.

A second area where the CDU, and particularly its Right-wing, has seen a potential campaign weapon crumble is over relations with Eastern Europe. At the time of the parliamentary crisis over the Polish Treaties in March, there were confident predictions that the Schmidt variety of Ostpolitik, which was attacked as "buying back human beings" from Warsaw, would be rejected by the voters. Instead, opinion polls showed approval of the Treaties, and Mr. Edward Gierek, the Polish leader, came to Bonn next week to sign a fresh bundle of massive trade and investment agreements.

As for Moscow, sometimes accused of behaving as the "fifth party" in German election campaigns, there seems no doubt where the Kremlin's sympathies lie, in spite of the recent irritations of spy cases and strained relations over Berlin. Mr. Leonid Brezhnev took the initiative by writing a personal letter to Herr Schmidt last month, which is expected to lead to a visit to Bonn by the Soviet leader before the summer is out.

When the CDU gathered in Hanover last week for its lavish pre-election Party Conference, it still seemed to be casting about for an issue. The proceedings, it is true, approved a campaign manifesto, gave an opportunity for a display of at least surface harmony among the party's various factions, and not least, gave a boost to Dr. Kohl personally for what his colleagues believe will be a very clear two-man battle, between "the two Helmut's".

As a new focus of its campaign, however, the CDU leadership, steered by its shrewd and ambitious Secretary-General, Professor Kurt Biedenkopf, used the Hanover Conference to launch a fresh European policy. A whole day was set aside to debate the question, examining how Germans perceive the European Community now, and how they want to see it evolve in the future. The Party realises that the audience is widening in the Federal Republic for words of caution, and that many in Germany already assume that the Italian Communists will gain at least a share in the next

Government in a fortnight's time.

The CDU's European Day undoubtedly proved to be a triumph in public relations terms. Dr. Kohl shared a platform with a distinguished gathering of politicians from fellow European Christian Democratic and Conservative parties that included Mr. Leo Tindemans, the Belgian Prime Minister, Mrs. Margaret Thatcher, Sir Christopher Soames, Sig. Amintore Fanfani and M. Jean Lecanuet. If their declared hopes of founding a Armer European bond breeze of the kind Herr Schmidt hopes to appeal to.

Dr. Kohl's own speech indicated a vision of the future of the Community essentially very similar to Herr Schmidt's—if allowance is made for the tactical barbs he directed at the Chancellor for "school-masterness" behaviour towards other Member Countries and "obstructing real unity". The CDU leader called for a united Europe to achieve peace, freedom and progress on the basis of a "renewal of the spirit of the 1950s" and declared his

behaviour in Berlin are more potent cement for Europe than the crisis in the Community. A lady from Lower Saxony seemed to sum up the feelings of many present when she bluntly demanded of Herr Werner Marx, one of the CDU's top foreign policy spokesmen: "What guarantee can you give me that the Russians won't be on my doorstep tomorrow?"

It is the abiding strength of views such as these that is making Dr. Kohl's balancing act as CDU leader and candidate for the chancellorship particularly delicate. Can he afford to equate being a good European with putting defence before other concerns, as many on the right of the Party would like? Can he be a better European than Herr Schmidt without becoming strident about the "Communist threat" to the Community? And can he avoid the pressure from the right—especially from Herr Franz-Josef Strauss' Bavarian wing—to smear the Social Democrats with a red brush?

The CDU's European Day brought together Democratic and Conservative leaders from many other European countries. But, while Herr Kohl's speech was close to the line pursued by Herr Schmidt, rank and file CDU members showed urgent concern with joint European defence.

One illustration of the dilemma of Dr. Kohl and his advisers has been the squabble over the CDU's electoral slogan. It started out with "freedom or socialism," thus trying to suggest that a vote for Herr Schmidt (of all European Social Democrats) might somehow open the way to Eastern style rigidity.

Under fire from all sides, the CDU changed its cry to "freedom in place of socialism"—though this, too, brought curt retorts from the Government that the implied message is still that one excludes the other. Cynics are wondering whether the CDU's media men may have to print yet a third batch of posters and glossy bumper-stickers.

What makes Dr. Kohl's task harder is the now almost cast-iron decision of the FDP, minority partners in the Coalition since 1969, to stay wedded to the SPD. This means that the CDU, in order to form a Government, would need an absolute majority of the Bundestag, and thus a much stronger swing than even senior party officials privately expect.

There may be no absolute certainties in politics, but the decision of the FDP Conference in Freiburg to maintain its present alliance with the SPD after the October election was more definite and less ambiguous than many people had expected. Herr Genscher and his top colleagues are, of course, taking a risk in appearing so firmly welded to Herr Schmidt.

Once again, the FDP leaders are running on the proposition that they are the liberal tail that can wag the Social Democratic dog. Their speeches tended both to reiterate FDP accomplishments during the past four years and to demand a greater weight in the new Cabinet. "It takes two to form a partnership," as Herr Genscher remarked.

He will get his answer from Chancellor Schmidt when the SPD, in turn, gathers for its Party Conference at Dortmund in a fortnight's time.

No progress towards Communist summit

By PAUL LENDVAY

VIENNA, June 7.

PREPARATIONS for the Communist summit of 28 Eastern Bloc leaders have entered a crucial stage, with simultaneous high level talks going on between the Yugoslav and Soviet parties, the Yugoslav and Romanian parties, and the Romanian and Italian parties.

Since last Friday Mr. Robustan Katushev, the Soviet Central Committee secretary in charge of relations with the ruling parties, has been conducting apparently inconclusive talks in Belgrade with the Yugoslav party leadership. The two communist leaders are expected to meet in Moscow for a final round of talks, which parties so far issued, refer to the summit as "a meeting of Communist leaders" means that no agreement has been reached.

Mr. Katushev was received today by President Tito and handed over to him a personal message from Soviet leader Mr. Brezhnev.

Mr. Mane Poljanec, the secretary of the Yugoslav executive committee, is understood to have told the Soviet emissary that Yugoslavia would only participate at the Communist summit, which should have been held in mid-1975, if the principle of agreement by consensus is upheld, and a draft document acceptable to all parties is submitted to the full-fledged conference.

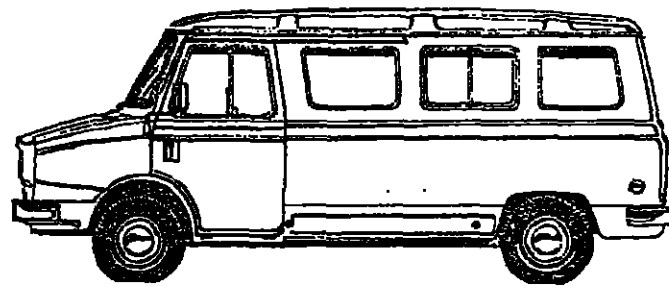
In an interview published on Saturday in the official party weekly in Belgrade, Mr. Dolanc said that the conference only made sense if it was a free exchange of opinions and added that certain substantial questions were still open. He stressed that the preparations for the summit, which already proved that "momentous and serious changes have emerged in the international workers' movement, showing that a single centre is no longer possible."

Meanwhile the Romanian President and party chief, Mr. Ceausescu, sent Central Committee secretary Andrei as special envoy to Italy to be received by the Italian Communist leader, Sig. Enrico Berlinguer. They discussed, in an atmosphere of "warm friendship," the problems of the international communist movement, a brief communist said.

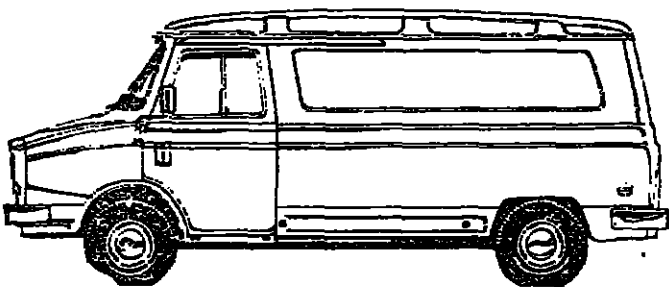
The Italian party is also in favour of the principle of unanimous decision, and Sig. Berlinguer stressed last month that the conference document should only contain statements approved by all participants.

Finally, the Yugoslav leadership during the week-end despatched Mr. Todor Kurovic, a presidential member and secretary of the executive committee, to Bucharest to co-ordinate policies.

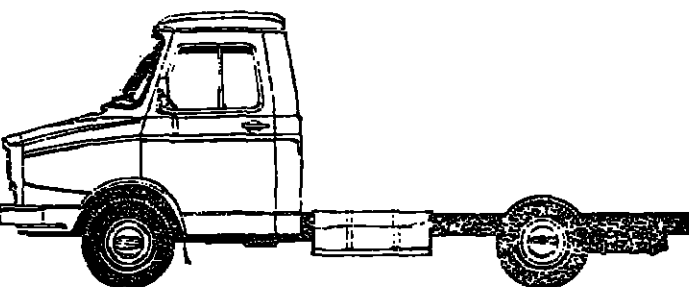
The next meeting of the editorial commission, which has been preparing a draft document for the conference, is scheduled to begin on Thursday.



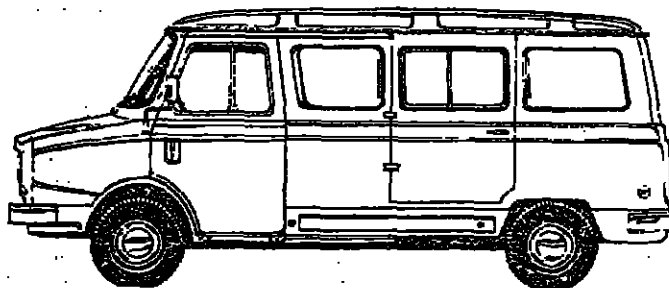
Leyland Sherpa Crewbus



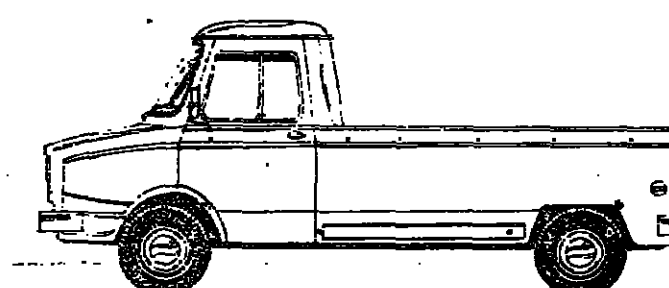
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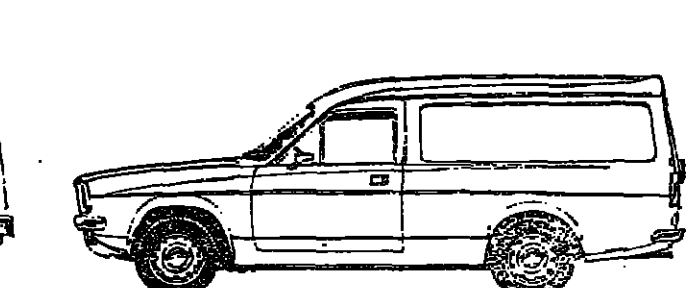
Leyland Sherpa Chassis Cab



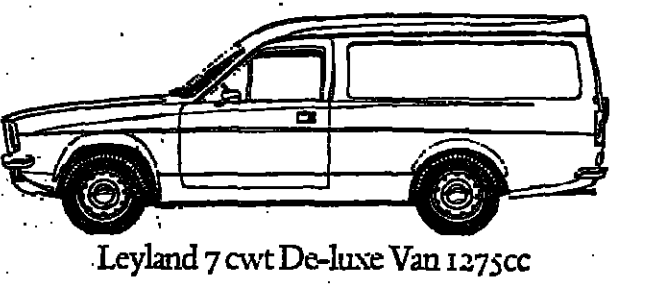
Leyland Sherpa Minibus



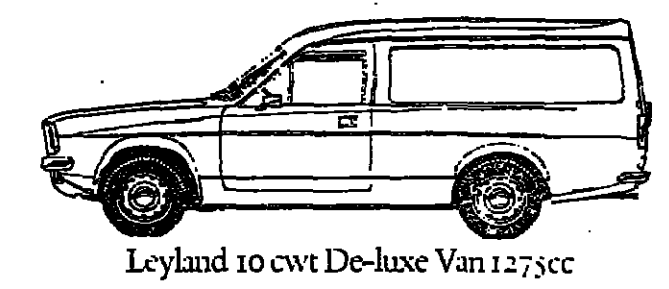
Leyland Sherpa Pick-up



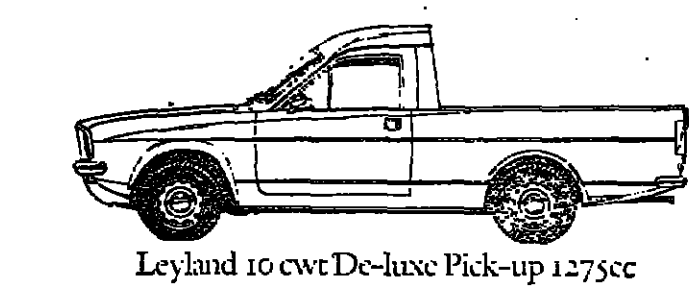
Leyland 7 cwt Standard Van 1098cc



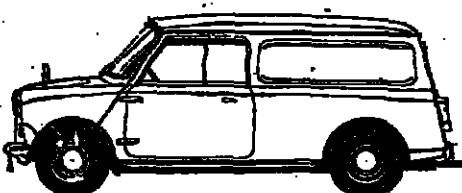
Leyland 7 cwt De-luxe Van 1275cc



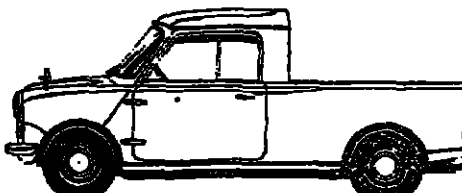
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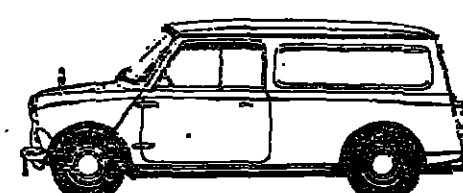
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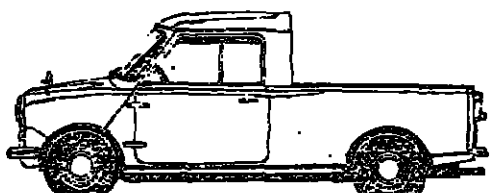
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OVERSEAS NEWS

Indian auguries good as Gandhi leaves for Moscow

BY K. K. SHARMA, NEW DELHI, JUNE 7

PRIME MINISTER Indira Gandhi leaves tomorrow for a five-day visit to the Soviet Union for the first time since she came to power in 1974. She is expected to explain her economic policies and improved relations with China.

It is her first visit abroad since she came to power in 1974. Before she left she warned the country that the emergency was far from over and people should be prepared for more rigours. Her warning notwithstanding, there is no denying that although many rights remain suspended, India is a better place than ever before.

Just before Mr. Gandhi left she heard the good news that the monsoon is expected to arrive on schedule so that last year's record food grain production of 114m. tonnes should be exceeded this year. The rise in national income by around 10 per cent. should thus be achieved; and increased investment (up this year by 31 per cent.) should not lead to inflationary forces worrying other countries and

which India has effectively controlled.

Foreign exchange reserves are at a record level of around \$200m. after a series of \$100m. loans. A consortium of 13 Western countries and Japan has just promised \$1,000m. in aid and the World Bank will chip in with another \$100m. Exports are expected to rise at more than an annual 10 per cent. and despite a heavy trade deficit India has unhesitatingly announced a liberal import policy to provide necessary raw materials for growth.

In sum, this means Mrs. Gandhi makes her visit abroad at a time when all auguries are good. She is going to Moscow without a begging bowl, an equal partner in a loose alliance that was formalised in 1971 when the Indo-Soviet treaty of friendship and co-operation was signed and Moscow gave much needed political support when the U.S. sent its ninth fleet up the Bay of Bengal, threatening to intervene in the war over Bangladesh.

Indo-Soviet friendship in fact goes back much further, ever since the Soviet veto in the Security Council on Western sponsored resolutions on Kashmir was used in the 1950s. Relations have been close. Just before Mrs. Gandhi left for Moscow she expressed confidence that relations between the two countries would not only prove beneficial to them but also help to promote peace. She said Russia had always extended its hand of true friendship to assistance whenever India faced difficulties.

Mrs. Gandhi's last visit to Russia was in 1971. This was followed by Mr. Brezhnev's visit to India in 1973 when a 15-year economic co-operation plan was signed. Last April a five-year trade agreement was signed under which the annual trade turnover will increase from Rs. 3,000m. (about \$500m.) to Rs. 4,500m. (about \$750m.) per cent. annually. This will be even greater when plans for joint ventures, agreed to in principle in a protocol signed in Moscow in April, materialise.

The scope for this is enormous since the bulk of India's imports are heavy engineering capabilities have been built with Russian help and have considerable surplus capacity. Equally important, much of India's muscle power has been provided by Russia, which has supplied various kinds of military hardware.

Yet she goes as a free person. In a statement to the ruling party's supreme decision-making body, the All India Congress Committee, Mrs. Gandhi pointed out that the foreign policy has been written into the Indo-Soviet treaty of peace, friendship and co-operation. Indeed India's Foreign Office is busy helping Sri Lanka make arrangements for the non-aligned summit conference to be held in Colombo next August. And Mrs. Gandhi has just made her first foreign policy initiative by offering to send ambassadors both to Peking and Pakistan (for the first time to Pakistan since the border war of 1965 and to Islamabad since 1971).

This does not mean that all is well in the subcontinent. India's Charge d'Affaires in Peking walked out of a banquet last week when the visiting Pakistan Prime Minister Mr. Bhutto made a reference to "self-determination in Kashmir", just justified by India's Foreign Office on the ground that this violated bilateralism in settling mutual problems that India and Pakistan accepted in the Simla agreement of 1972. Nor does it mean that China has abandoned its claims over vast tracts of territory in the Himalayas. The important point is that these initiatives have been taken and welcomed in Peking—just before Mrs. Gandhi's Russian visit.

One interesting aspect will be to see how the Russians present their proposals for an Asian collective security arrangement based on the Helsinki model which they have been selling through articles in official newspapers and journals in the past few months. The idea is not a new one, and in the past New Delhi has been lukewarm to it.

Syrians launch offensive on approaches to Beirut

BY IHSAN HIJAZI

BEIRUT, June 7.

SYRIAN forces, backed by a newly formed faction of the Lebanese army, have launched an offensive on the approaches to Beirut, the Syrian Prime Minister Mr. Bishara Marwan said.

Large-scale battles raged all night and today in the Moslem districts of Beirut between supporters and opponents of the Syrian intervention in which mortar, artillery and rockets were used. No accurate casualty figures were available, but initial Press reports said that they run into the hundreds.

The Palestinians and their Lebanese Leftist allies are calling it another "Black September", an allusion to the civil war in Jordan in September 1970, when King Hussein's army suppressed the Palestinian guerrillas and eventually drove them out of the country.

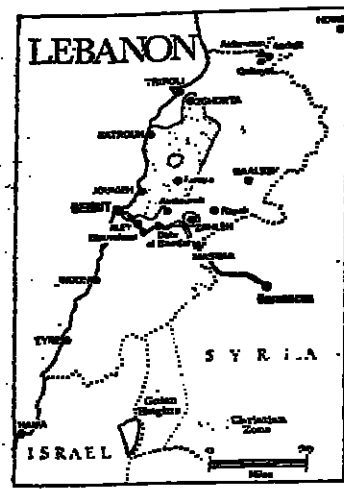
Direct news from the scenes of the fighting was not immediately available because continued electricity cuts have disrupted telephone and other communications.

The military situation, as reported by Palestinian sources and Lebanese Press quarters, appears to be as follows: Syrian troops which had regrouped in the Bekaa valley began to move out yesterday afternoon and were given air cover by several Hawke Hunters of the "Vanguard" of the Lebanese Army.

A Lebanese Press source said the nucleus of a new army set up in co-operation with the Syrians. The jets commanded by airforce Captain Mahmoud Mattar, the new Chief of Staff of the new army, took off from the Bekaa airbase of Rafat. They also crossed the border into Beirut.

The forward troops advancing on Beirut were said to have reached the mountain range of Bshamoun and were descending on the town of Aley which lies about 12 miles east of here. It is at Aley that Left-wing leader Ramal Jumblatt, a vehement opponent of Syrian intervention, has set up his military headquarters.

A statement by Mr. Jumblatt's Progressive Socialist Party (PSP) said that its fighters have destroyed four of six advancing Syrian tanks. Another statement issued during the early hours of today, however, said that the Syrians had captured a number



of "Progressive" fighters during the offensive.

In the other direction, the Syrians have apparently advanced far enough to be able to shell Palestinian and Left-wing positions at Aynoun el Siman, the ridge which overlooks the ski resort of Farayah. According to the Palestinians, fierce battles are raging there with a high casualty toll on both sides.

Palestinian and Lebanese radio stations said Syrian warships this morning shelled the Lebanese air force base of Golayati, on the Lebanese northern coast and not far from the border with Syria.

Informed sources said the Syrians apparently plan to occupy the border to boost the Lebanese air force under Major Mattar. The base is currently controlled by the Lebanese Arab Army, a breakaway faction which supports the left wing and which is fighting against the Syrians.

The Palestinians claim that as many as 25,000 Syrian troops are engaged in the offensive. The figure, informed sources said, must include not only the troops which came over from Syria last week but also the Syrian-controlled members of Saig's commando group and units of the Palestinian Liberation Army which are under Syrian command.

The number of troops which crossed the border to boost the Lebanese air force was given at 6,000.

Beirut today continued to respond to the sound of mortar and rocket fire after the clashes had gone on all night. Heavy exchanges continued between the Fatah-Lebanese groups and elements from the rival Saig. The air port was closed.

freedom that the PLO wanted the Foreign Ministers meeting to be followed by an Arab summit.

Thirteen of the 20 member states of the Arab League had today agreed to attend though Syria had not responded and was not expected to attend. Observers here saw difficulties in getting the Arab foreign ministers to Cairo at less than two days' notice. For this reason, some criticism was given to suggestions that although Mr. Ismail Fahmy, the Egyptian Foreign Minister, would lead the Egyptian delegation, some representation would have to be at ambassadorial level.

It is difficult to see what such a meeting will be able to achieve if the party at the focus of the political storm, Syria, fails to attend.

Palestinians accused of plot to partition the Lebanon

BY LOUIS FARES

DAMASCUS, June 7.

SYRIA accused Fatah, the leading organisation of PLO leader Yasser Arafat of "implementing a plot aiming at the partition of Lebanon and at creating a Palestinian state on Lebanese soil instead of Palestine."

This is the second time the taka has been raised against the PLO in six weeks. The aggregate total readjustment comes to about 11 per cent.

President Suharto said yesterday that Indonesia would send a fact-finding mission to East Timor before a merger of the former Portuguese colony with Indonesia. A fact-finding mission, he said, was speaking after receiving an official petition from an East Timor delegation requesting that Indonesia take over the territory.

The petition was ratified in a 28-member people's assembly which claims to represent the territory.

Prime Minister Fidel Castro commented yesterday that Cuban troops were being gradually pulled out of Angola, Reuters reports from Havana. But he said the Cuban army would be able to ensure the security of the country.

A CANADIAN firm of consultants, Canac, have recommended that the East African Railway Corporation, part of the East African Community, should be split into three separate State railway corporations by the end of 1977.

Canac were retained to recommend on decentralisation last year, after the railways had encountered severe economic problems, partly caused by a hold-up of remittances from Uganda and Tanzania, to the railway headquarters here.

The report has not yet been made public, but its contents have leaked out here. Mr. Luka, the railway chairman, considered by the East African Community and railway chiefs. It concludes that the centralised system is unworkable, and says

separate state railway corporations would be more responsive to the needs of Kenya, Tanzania and Uganda.

It forecasts that the Kenya African Community was formed in 1967 when the East African Community was formed. It says that the past two years have seen serious difficulties have arisen between the three railway regions, and services between Kenya and Tanzania are at present halted. Steamers and train ferries on Lake Victoria are also laid up because of disagreements between the regions.

Kenya has accused Tanzania of retaining railway wagons and other rolling stock, and of refusing to allow it back into Kenya.

The Chinese built railway between Tanzania and Zambia is not part of the East African Community, and operation is not due to end until next year. East African Railways was set up in 1948, when the three-freight gauge of the Tanganyika railways were merged into East African system.

No indication has yet been given whether the report will be accepted, as a full-scale review of the East African railway cooperation is already under way. It is not due to end until next year.

East African Railways was set up in 1948, when the three-freight gauge of the Tanganyika railways were merged into East African system.

Dr. Bouyida was addressing the opening session of the commission whose meeting are occasioned by the trial here of 13 British, American and Irish mercenaries captured last February in the Angolan civil war.

Among those invited by the Angolan Government to see the commission are Mr. Nguyen Reuter.

It said the return of war dead could not be carried out unless the United Nations "contribute to the healing of the wounds of war and the reconstruction of Vietnam."

Ninety-one South Vietnamese refugees, including two men and a woman were shot and seriously wounded as they fled their country, sought asylum today after landing in a fishing boat in southern Thailand, according to Bangkok police.

Pakistan defence budget up

A provision of over Rs.9,500m. has been made for defence expenditure in the Pakistan national budget for 1977. Mr. Karachi said that this shows an increase of over Rs.700m. or 6.4 per cent. over the current year's provision. Despite this increase, the share of defence in total expenditure would be slightly lower at 49.05 per cent. according to a budget document.

Finance Minister Rana Mohammad said the annual development programme for 1976-77—amounting to Rs.17bn.—aims at an overall growth rate of 8 per cent. in gross domestic product, comprising, inter alia, a 10 per cent. increase in agricultural output, 9 per cent. in large-scale manufacturing output and 15 per cent. in construction activity.

Bangladesh has announced relaxation of the taka—sterling rate at 28.7 effective from yesterday. Mr. Dacca correspondent writes.

A Bank of East Asia announcement said the step had been taken "to promote stability in our international transactions." This is the second time the taka has been raised against the pound in six weeks. The aggregate total readjustment comes to about 11 per cent.

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The embassy said in its denial that "all Americans captured in Vietnam were returned to U.S. custody."

PHILIPS INTERNATIONAL FINANCE S.A.

U.S. \$30,000,000 6½% Loan 1979

REDEMPTION OF BONDS

Philips International Finance S.A. announces that for the redemption period ending on 30th June 1976 it has purchased and cancelled bonds of the above loan for U.S. \$1,000,000. The redemption period will be continued until 30th June 1979 to satisfy the Company's current redemption obligation. It is accordingly U.S. \$30,000,000 and the nominal amount of the loan remaining outstanding after 30th June 1979 will be U.S. \$28,000,000.

DRAWING OF BONDS

You are an indirectly participating party in a drawing of bonds of the above loan which took place on 24th May 1976 attended by Mr. Keith Francis Croft Baker of the Law of John Venn & Sons, Solicitors, London, who held the loan for a total of U.S. \$2,500,000 nominal capital were drawn for redemption at par on 30th June 1976.

The following are the numbers of the bonds drawn:

518	519	520	521	522	523	524	525	526	527	528	529	530	531	532	533	534	535	536	537	538	539	540	541	542	543	544	545	546	547	548	549	550	551	552	553	554	555	556	557	558	559	560	561	562	563	564	565	566	567	568	569	570	571	572	573	574	575	576	577	578	579	580	581	582	583	584	585	586	587	588	589	590	591	592	593	594	595	596	597	598	599	600	601	602	603	604	605	606	607	608	609	610	611	612	613	614	615	616	617	618	619	620	621	622	623	624	625	626	627	628	629	630	631	632	633	634	635	636	637	638	639	640	641	642	643	644	645	646	647	648	649	650	651	652	653	654	655	656	657	658	659	660	661	662	663	664	665	666	667	668	669	670	671	672	673	674	675	676	677	678	679	680	681	682	683	684	685	686	687	688	689	690	691	692	693	694	695	696	697	698	699	700	701	702	703	704	705	706	707	708	709	710	711	712	713	714	715	716	717	718	719	720	721	722	723	724	725	726	727	728	729	730	731	732	733	734	735	736	737	738	739	740	741	742	743	744	745	746	747	748	749	750	751	752	753	754	755	756	757	758	759	760	761	762	763	764	765	766	767	768	769	770	771	772	773	774	775	776	777	778	779	780	781	782	783	784	785	786	787	788	789	790	791	792	793	794	795	796	797	798	799	800	801	802	803	804	805	806	807	808	809	810	811	812	813	814	815	816	817	818	819	820	821	822	823	824	825	826	827	828	829	830	831	832	833	834	835	836	837	838	839	840	841	842	843	844	845	846	847	848	849	850	851	852	853	854	855	856	857	858	859	860	861	862	863	864	865	866	867	868	869	870	871	872	873	874	875	876	877	878	879	880	881	882	883	884	885	886	887	888	889	890	891	892	893	894	895	896	897	898	899	900	901	902	903	904	905	906	907	908	909	910	911	912	913	914	915	916	917	918	919	920	921	922	923	924	925	926	927	928	929	930	931	932	933	934	935	936	937	938	939	940	941	942	943	944	945	946	947	948	949	950	951	952	953	954	955	956	957	958	959	960	961	962	963	964	965	966	967	968	969	970	971	972	973	974	975	976	977	978	979	980	981	982	983	984	985	986	987	988	989	990	991	992	993	994	995	996	997	998	999	1000
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The above bonds may be presented for payment of the proceeds of redemption at par on or after 30th June 1976 at the offices of the parties named on the coupons in the manner specified in Condition of the Loan. The proceeds of the Loan are to be used for the purposes of the Loan and the proceeds of the redemption of the Loan are to be used for the purposes of the Loan and the proceeds of the redemption of the Loan are to be used for the purposes of the Loan.

Principal Paying Agent: N. M. Rothschild & Sons Limited, New Court, St. Swinfin's Lane, London EC4P 4DU.

8th June 1976

السيد السيد

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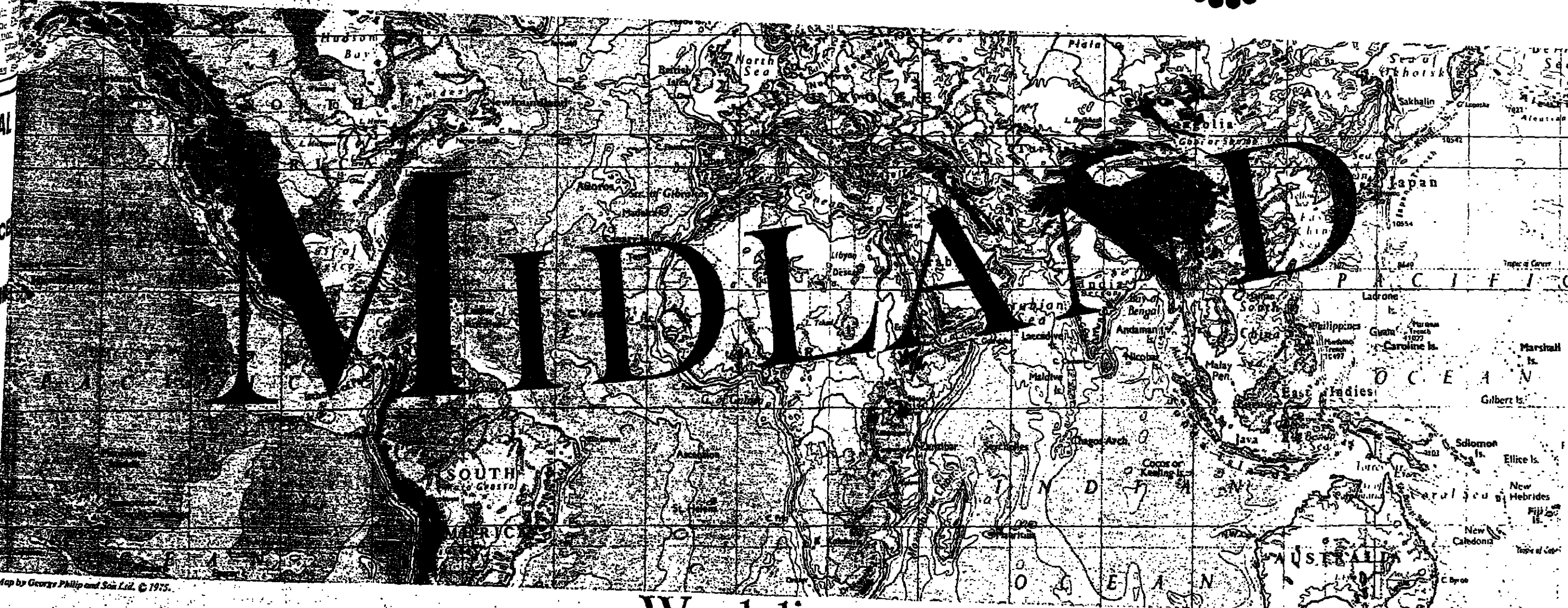
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offensive to Beirut

of "Progressive" ing the offensive. In the other hand, Syrians have advanced far enough to positions at Ayman ridge which overlooks the Palestinian. The are raging there. Casualty toll on both Palestinian and Lebanese sides said Syria's air force base of 60 not far from the Syrian.

Informed sources say the offensive occurred the base in Matruh. The base is controlled by the Lebanese Army, a brigade which supports the Syrian.

The Palestinian army as 25,000 Syrian. Informed sources say the offensive must include not only the base but also the command group of the Palestinian army which are under the command.

The number of troops in the base was given as 25,000. The base is today a military and naval base. Heavy fighting has been going on between the Syrian army and the Lebanese army from the rural base port was closed.

ed of plot ebanon

DAMRUS. Several sources in the Foreign Ministry in the following is a summary.

Thirteen of the 25 to-day arrested Syrian had no previous record. However, in getting the 13 into the country, it was said, some of them were given a special pass. It is said that the 13 were given a special pass to enter the country. It is said that the 13 were given a special pass to enter the country.

lit-up urge

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HOME NEWS

Life Offices
row delays
commission
scale

By Eric Short

A ROW over the maximum amount of initial commission to be paid on life policies has led to the Life Offices Association and the Associated Scottish Life Offices postponing for three months the new commission scale due to start on July 1. A statement issued yesterday said the postponement was to allow full consideration of a special problem on long-term policies.

The new scale changes the basis of paying initial commission from a sum-assured to a premium-related basis and imposes a maximum level of 60 per cent of the first-year premium for the longer-term contracts.

It is known that certain companies, including Friends Provident Life and Sun Life Assurance, have been unhappy with the maximum limit, which they consider too low.

Some life companies outside the professional bodies, notably Equity and Law Life Assurance Society, have said they will pay initial commissions on the longer-term contracts well above the new LGA maximum. Equity and Law's upper limit is to be 125 per cent of the premium. Many Provincial insurance brokers have voiced objections to the scale as too low for the longer-term policies.

Power Council
rejects 'charter
for scroungers'

By Roy Hodson

THE ELECTRICITY Council in unusually strong terms last night rejected the National Consumer Council's report. Paying for Fuel. The report recommends abolition of the power to disconnect electricity supplies of bad payers. "A charter for scroungers", the Council says, "is a report at best amateurish; at worst biased." It is just one of the Electricity Council's comments. An all-party Commons Select Committee recently supported the campaign for the right of disconnection to be withdrawn from both the gas and the electricity industries. Last week the National Consumer Council followed up with an interim report which has kept the topic alive.

Pressure groups

Both the British Gas Corporation and the Electricity Council are strongly against having the power withdrawn. The gas industry estimates the result could be an extra 10 per cent loading upon every consumer's bill.

The Electricity Council claims that pensioners and more than 500,000 house tenants would be hurt rather than helped if disconnections were now allowed. The price of electricity would

"increase substantially." The Council says that the Consumer Council report is a reiteration of campaign points put forward by various pressure groups over the past year. As far as some aspects of the report are concerned, it claims, no evidence has been sought from the industry. On other aspects the industry has given evidence but it has been ignored.

"On the most prudent estimates abolition of the power to disconnect would do nothing to help genuine hardship cases and would add at least 5 per cent to electricity bills... and might even provide for increases of up to 10 per cent."

Administrators are appalled at the increases in borrowing to meet working capital that will be necessary if removal of the threat of disconnection encouraged many more electricity users to practice "brinkmanship" by leaving the paying of their bills to the last possible moment. They take the view that the courts, as at present constituted, do not offer a satisfactory system for recovering electricity users' debts and that the area Boards will have to go to much extra expense to recover bad debts themselves.

SNP sets
terms on
shipyards
legislation

By Our Scottish Correspondent

THE SCOTTISH Nationalists yesterday revealed their price for supporting the Government's embattled shipbuilding and aerospace nationalisation Bill.

Mrs. Margo MacDonald, SNP senior vice-chairman, told a Press conference in Glasgow that the party's 11 MPs would "seriously consider" voting for the Bill if the Government used its breathing space to introduce measures setting up a Scottish division of British Shipbuilders.

Such a division, controlling the five Scottish yards facing nationalisation, should have adequate funds for investment to make the division viable and internationally competitive.

The Nationalists voted against the Bill last month and faced heavy criticism from shipbuilders in Scotland. Mrs. MacDonald added that the Government's claim that the future of thousands of Scottish jobs rested on the fate of the Bill was merely a piece of "London kidology." An independent Scottish Government was the only long-term hope for Scottish shipbuilding.

"We do not believe there will be sufficient investment to ensure a coherent strategy of investment and continuity of employment in Scottish yards under the present Bill," Mrs. MacDonald added.

However Mrs. MacDonald could not specify what investment the SNP would regard as "adequate." The party did not have any statistics available and the Government had failed to provide them.

An ideal solution to the problems of shipbuilding was the takeover of the Scottish yards by a larger Scottish Development Agency with increased funding.

Mrs. MacDonald cited the lengthy and costly Government support of shipbuilding on the Upper Clyde—first with UCS and now Govan Shipbuilders—as evidence that the Government already had sufficient powers to safeguard endangered firms and industries under the Industries Act, National Enterprise Board and SDA.

SHIPBUILDING BILL'S OPPONENT HAS SPENT £100,000

'Bailey will fight to the end'

By Arthur Smith

RESPONSIBILITY for delay of the Government's controversial Shipbuilding and Aircraft Industries Bill must rest in no small measure with Mr. Chris Bailey, the public relations-conscious chairman of Bristol Channel Ship Repairs.

This self-made champion of free enterprise declared at a Press conference in London yesterday that he was prepared to "fight to the end" to kill the nationalisation Bill.

Dubbed by the popular Press as "the blackbeard" out to scupper plans to take his industry into public ownership, Mr. Bailey has set a swashbuckling style. More than £100,000 has been spent in newspaper advertisements and publicity to argue the case against nationalisation of shiprepairing.

The grandson of C. H. Bailey, who established the South Wales ship repair yard in 1885, Mr. Bailey entered the company as an apprentice at the age of 16. Now in his early forties, he is chairman of a company with a turnover of more than £10m, a year whose interests stretch from ship repair yards in Cardiff, Newport, Barry and Port Talbot to haulage and plant hire, and a hotel in Da-es-Salaam.

Not too coy

Pre-tax profit in the year to April 1975 dipped from £1.18m to £800,000, but not one penny has had to be accepted in the form of Government help, he says with pride.

All the cash for the anti-

nationalisation campaign has come from within the company, but Mr. Bailey—who boasts that his credentials are those of a businessman—is not too coy to mention that the publicity has been good for business. "We have become known and obtained work as a result," he says.

He claims to have been the man to realise the full implications of the possibility that the nationalisation Bill could be regarded as "hybrid." After the issue had been raised at a meeting of the Standing Committee considering the Bill, on May 11, he took further advice and alerted the Opposition.

But he does not seek to take credit from Mr. Robin Maxwell-Hyslop, the Conservative backbencher, who "brilliantly executed the point of order."

Antithesis

The moral which Mr. Bailey draws from the experience is that the country is being "run by stubbornness and ideology rather than common sense."

He argues that ship repair is not amenable to large units or State ownership. "Our type of shiprepairing cannot be planned forward orders are numbered in days or weeks, not months or years—every job is different."

Moreover, shipworkers demanded "a personal service requiring immediate local decisions" which was the very antithesis of advanced planning and large scale operation.

To support his argument that private enterprise is more eff-

cient than public ownership, Mr. Bailey cites the case of Greenwell's, of Sunderland, which he maintains was the first repair yard to be nationalised and after only 18 months was closed down on March 31, with the loss of 400 jobs.

"This is what will happen to every small ship repair yard when taken over. The closure of this yard was unnecessary." The decision had been based on a financial report accepted by the Government without analysis, he claimed.

Mr. Bailey says that Bristol Channel Ship Repairs had first expressed an interest in taking over the yard in January of this year, but had been unable to get a meeting with Mr. Eric Varley, the Industry Secretary, to discuss the issue.

"They talk about industrial democracy, but they just don't know where it begins," is how Mr. Bailey dismisses the efforts of the Government.

No disputes

Not only could his company have restored Greenwell's to commercial viability, but it also provided an example of worker participation. And to prove the point, Mr. Bailey had trade unionists lined up alongside him at yesterday's Press conference.

Real involvement by employees means that decisions and results, good or bad, should be openly discussed by employee representatives on a weekly basis and backed by a daily programme of education in com-

pany accounts, sales and marketing. Mr. Bailey boasts that work has full financial discipline and an elected directorate every 50 employees. Above per cent of workers were shareholders and no production has been lost through industrial disputes in eight years.

But the bustling Mr. Bailey most scathing in his comments about nationalisation.

He describes as "double" the Government's tactics in public ownership through legislation. On the one hand Michael Foot, Leader of Commons, was saying that a Bill would cause a jobs, while Mr. James Callaghan, the Prime Minister, was saying that redundancies were inevitable.

He glosses over the point that redundancies in jobs for the U.K. shipbuilding industry are inevitable and that the basis of Government's argument is increased uncertainty will add to the number of redundancies.

Mr. Bailey's solution to the problem is to allow the private companies to stay in private ownership and for the Government to assist only the companies which request aid.

He says: "I am not a builder." His business is to build and the thrust of his campaign is that the 400 employees Bristol Channel Ship Repairs will enjoy a more secure future under private enterprise.

Nuclear deal safeguard agreed

By Malcolm Rutherford

THE CLUB of nuclear-exporting countries has reached agreement on a list of nuclear materials and equipment which member States will not export to third parties without safeguards.

The list is now likely to be submitted to a committee of the International Atomic Energy Agency in Vienna and will eventually be made public.

The club also discussed at its meeting in London last week the possibility of publishing the full extent of its work so far. It was decided however, that at least one more secret meeting will be held before the end of this year in an effort to reach further agreements and in the hope of

extending the membership. The latest unit to join are Poland and Czechoslovakia taking the total number to fourteen. Neither of the new members attended last week's meeting, however.

It is understood that some rather more controversial countries are being canvassed and that at least one of them might be ready to take part in the next session.

The controversial countries are those such as Brazil, Argentina, South Africa, Israel, India and Pakistan which have not signed the non-proliferation treaty, but which could develop their own nuclear capability.

The hope is that West Germany, for example, might be in a special position to influence Brazil because of its comprehensive nuclear agreement with that country. The French might be in a similar position vis-à-vis the South Africans as a result of the agreement signed last month between the two.

The original members of the club were the U.S., the Soviet Union, France, West Germany, the U.K., Japan and Canada.

The main development at last week's meeting was the agreement on the list of nuclear materials and equipment. In the crucible, Page 28

Shetland study says oil storage
methods environmentally equal

By Ray Dafter, Energy Correspondent

A REPORT on the major oil terminal at Sullom Voe in the Shetland Islands maintains there is nothing to choose between cavern and tank storage on environmental grounds.

Controversy over whether oil should be stored in tanks or underground has threatened the whole development of the terminal. It is thought however,

that progress towards a compromise agreement will be made on Thursday at a meeting of the Sullom Voe Association.

This group, which comprises representatives of the Shetland Islands Council and the oil industry, is likely to consider a plan whereby oil is stored in tanks as the companies wish, but the treatment facilities are reduced from two terminals to one.

Significantly, the association has already announced the possible opening date for Sullom Voe. Oil is due to arrive through BP's Ninian pipeline in spring 1978, and crude should start flowing through Shell/Esso's Brent pipeline in August of the same year.

By 1980, the terminal, which is costing between £40m. and £500m., should be handling about 40m. tons of oil a year—equiva-

lent to about half Britain's current consumption.

The study covers the amount of rock and peat that will be disturbed, the emissions of hydrocarbons, the visual impact, water seepage, oil leakage, vulnerability to sabotage and health and safety aspects.

The study is a new approach to conservation in a major development. It has been prepared by the Sullom Voe Environmental Advisory Group (SVEAG) which includes the Council, BP and Esso as constructors of the terminal, the Countryside Commission for Scotland and the Nature Conservancy.

McAlpine Sea Tank has successfully positioned the 130,000-ton gas treatment platform on the Anglo-Norwegian offshore Frigg Field.

World gas
industries
'have bright
future'

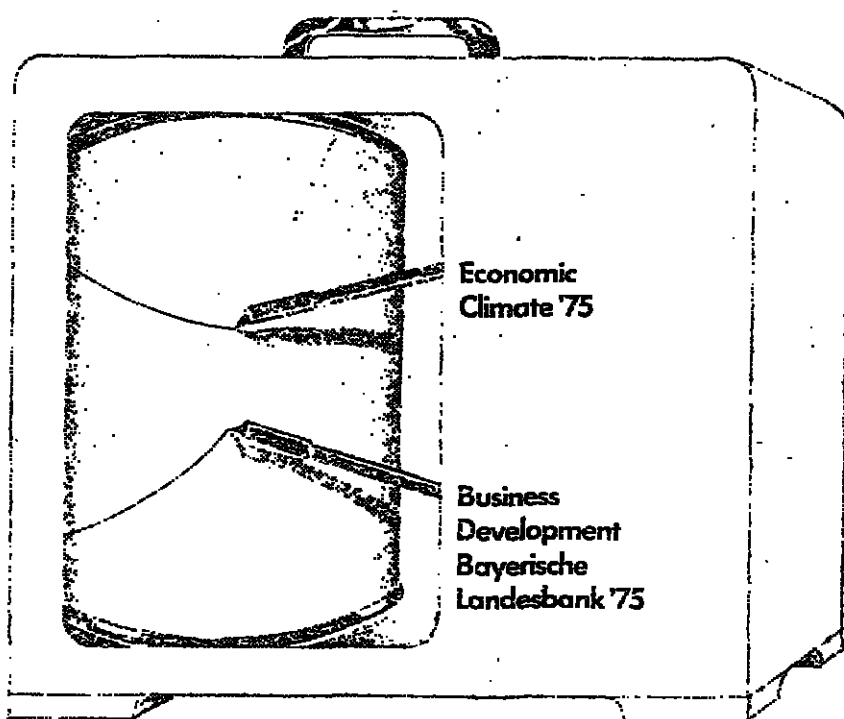
Financial Times Reporter

"THE FUTURE is bright for the gas industries of the world," said Mr. Leslie Clark, president of the International Gas Union, opening the 13th world gas conference at the Royal Festival Hall, London, yesterday.

Transmission systems which have been laid provide a large investment. Even after reserves of natural gas are longer available, these transmission pipelines will provide an efficient and low-cost source of moving energy. In Britain some 2,500 pipelines have been laid at about one-third of cost necessary to carry

In spite of the rather hard
economic climate
Bayerische
Landesbank
achieved
good results
in 1975.

Balance Sheet Total up 12.2%
Deposits up 13%
Credit Volume up 23%



Fulfilling its traditional role as banker to the State of Bavaria, Bayerische Landesbank contributed again substantially in 1975 to meet the heavy loan demand of the public sector. At the same time the Bank's universal service facilities were further extended to be able to offer its clients an all-inclusive professional range.

Special emphasis was put on a carefully structured international expansion of which the guiding principle was a selective acquisition of new clients. This reflects itself in the increased activities in the Euro-currency market, where the Bank's subsidiary, Bayerische Landesbank International S.A. in Luxembourg (Boylux for short), was able to

more than double its balance sheet total reaching DM 3 billion as per September 30, 1975.

It is also expected that further impulses will come from its 50% partici-

pation in Deutsch-Skandinavische Bank headquartered in Frankfurt, which is a joint venture between Skandinaviska Enskilda Banken and Bayerische Landesbank. This bank will concentrate on the two way trade between Germany and Scandinavia. It represents another example of our continued international development.

Extracts from the Balance Sheet as at December 31, 1975 - in DM billion -

Balance Sheet Total	45.7 (up 12.2%)
Capital and Reserves	1.3 (up 92 million)
Volume of Loans	33.0 (up 23%)
Total Deposits	42.0 (up 13%)
of which Bank's Debt	
Certificates	16.7 (up 18%)



Bayerische Landesbank
Girozentrale
Brienner Strasse 20
8000 München 2 - Tel.: 21711
Telex: foreign department 5 24 324

Bayerische
Landesbank
Girozentrale

International Banking with Bavarian Drive
and Friendliness

Consumer credit appeals
limit set at 28 days

By Elinor Goodman

A 28-DAY appeal period will be allowed to companies or individuals refused licences under the Consumer Credit Act, it was given at a hearing, which will normally be oral.

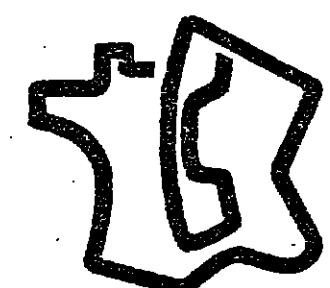
The appeal will be heard by the Director General of Fair Trading's determination is State for Fringe and Consumer Protection, who will report to the Minister. The Minister will then advise the Director General on what action he should take.

More Home News
Page 12

equivalent energy in the form of electricity.

"Development work is also at an advanced stage on methods of producing substitute natural gas from coal and oil. Nuclear heat is likely to be harnessed in the future to produce pipe gas. Mass vegetation—new or tropical land vegetation—may be harvested to provide feed stock for gas production."

The conference was opened by the Duchess of Gloucester who welcomed more than 2,000 delegates to London.



FRANCETEL

Société française de financement
des télécommunications

Emprunt 6 3/4% 1976/91 de fr.s. 50 000 000

avec garantie inconditionnelle de la

RÉPUBLIQUE FRANÇAISE

BANQUE DE PARIS ET DES PAYS - BAS (SUISSE) S.A.
HANDELSBANK N.W./ZÜRICH
BANK VON ERNST & CIE AG
BANCA DEL GOTTARDO
BANQUE PRIVÉE S.A.
LA ROCHE & CO.
SCHWEIZERISCHE HYPOTHEKEN - UND HANDELSBANK
BANCA DELLA SVIZZERA ITALIANA

Aargauische Hypotheken - und Handelsbank
Bank in Gossau
Bank in Menziken
Bank vom Linthgebiet
Banque Romanda
Banque Vaudoise de Crédit
Baselandschattliche Hypothekenbank
EKO Hypothekar - und Handelsbank
Luzerner Landbank

مكتبة الأمل

EVEN OUT OF THE BOARDROOM, YOUR BACK IS STILL VULNERABLE.

These days a businessman can spend almost as much time behind the wheel as he does behind the desk.

So Volvo have designed a car seat that's nice to sit in. Even after 300 miles on the motorway.

The seat back itself can be positioned from perpendicular to almost horizontal.

The whole seat moves forwards and backwards and there are 2 independent adjustments for height.

What this means in simple terms is the first truly bespoke car seat.

You don't have to adjust to the Volvo, the Volvo adjusts to you.

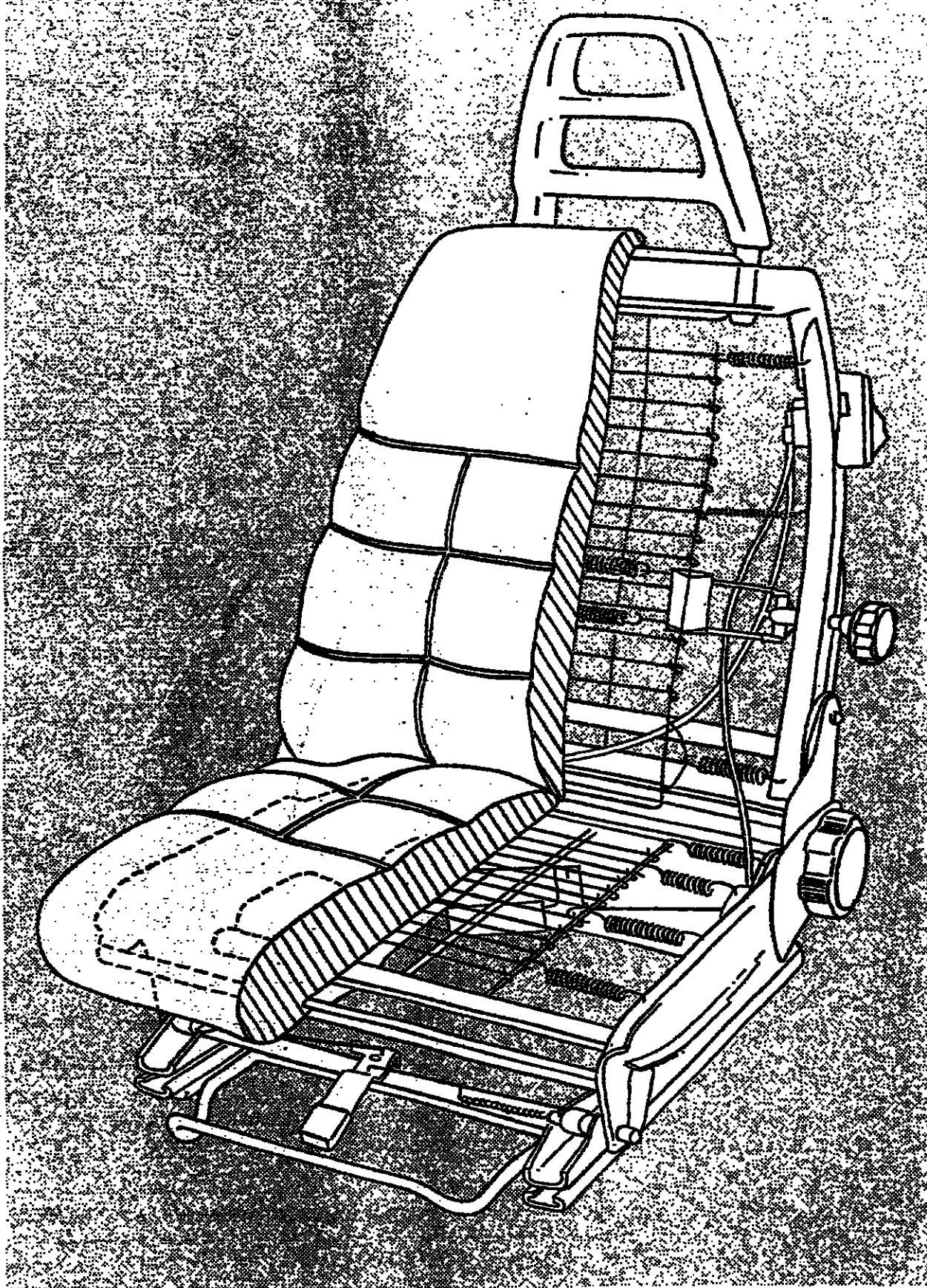
Of course, the Volvo 264 GL has many other comforting features.

But even things you'd expect to find in a luxury car, like a smooth 6-cylinder engine, air-conditioning and power-steering don't mean anything without our seat.

Because, when all's said and done, nobody's sitting pretty unless they're sitting comfortably.

Those steel wires in the back of the seat act just like a cradle for the small of your back.

Turn the knob and you can adjust the support all the way from soft to firm. Or vice versa.



HOME NEWS

Building industries 'will meet demands'

BY MICHAEL CASSELL, BUILDING CORRESPONDENT

A REPORT published yesterday claims that the U.K. construction industries should be fully capable of meeting the highest demands likely to be experienced in the early 1980s.

But it says that productivity would need to increase at about the same rate as in the past decade and adequate warning must be given to enable material producers to install sufficient additional capacity.

The Building and Civil Engineering Economic Development Committee, set up in 1968, that they and the Government should meet regularly to review the medium-term outlook for the balance of demand and supply within the building industry in both public and private sectors.

Impossible

Within the framework set by the review the report adds, stable and rolling public sector programmes should be implemented and more information made available on future programmes.

While recognizing that there are limitations to what can be done by Government and clients in the shape of better management and forecasting, the report urges concerted action to establish a more predictable and stable pattern of construction demand.

Sir Hugh Wilson, chairman of the EDC's industry strategy committee, commenting on the report, said that it showed clearly why it was impossible to have

a healthy economy without efficient construction industries.

"Apart from providing the factories, roads, ports and reservoirs essential to the national industrial strategy, the industries themselves produce about 15 per cent of the nation's income and employ over 2.5m people.

Economic recovery depends on making better use of these resources."

Other recommendations include a voluntary system of notification of forthcoming private and public, large-scale projects which could be instituted by regional offices of the Department of the Environment in areas where information is difficult to obtain.

The report also says that there is a wide area in which the industries can help themselves, by improvements in the quality of investment and training, increased flexibility and mobility and a more dynamic approach to marketing.

It illustrates, for the first time, the detailed effects of different levels and patterns of demand on the main manpower and materials used in construction.

As a result of the analyses, the authors say it is possible to see why shortages and over-heating have developed from time to time in certain sectors of construction and why measures to reduce overheating have often led to excessive under-utilisation and wastage of resources.

An appeal to Government and local authorities to help regulate demand in the Scottish construction industry is made in the review of prospects to the early 1980s by the same committee, but in separate report, writes Ray Parnham.

The industry in Scotland has suffered more from fluctuations in demand than in the rest of the U.K., particularly since 1967. The effects, according to the report, have included unnecessary waste and inefficiency and a net loss to the industry of skilled men and managers. At every downturn many leave for more secure jobs, never to return.

To fill gaps

To try to stabilise demand the report calls for more use of the "moving shelf" principle. Public sector projects could be planned and designed in advance of requirements and then placed on the shelf for a period so that the release of orders can be timed to avoid unemployment or overworking in the building industry.

Less urgent works, such as housing improvement and maintenance schemes, could also be used to fill gaps when general demand was low. The average annual spending in Scotland of about £10m, could be stepped up to over £15m when the industry was in recession, or trimmed back to very low levels during a boom.

Construction into the early 1980s, Scottish Construction into the early 1980s, Building and Civil Engineering EDC's £2 each. Millbank Tower London SW1P 4QX.

evaluation, when stocks of materials on site have to be assessed for payment.

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Managers seek radical changes to Post Office

BY CHRISTOPHER LORENZ, ELECTRONICS CORRESPONDENT

IN ONE of the most radical submissions yet made to the Post Office Review Committee, an influential group of telephone users has recommended the removal of the P.O.'s monopoly on the supply and maintenance of private telephone equipment.

Adoption of the proposal would create a virtual free market in telephone instruments of various sorts, as well as in private telephone exchanges (PABXs).

The recommendations have been made by the Telecommunications Managers' Division of the Institute of Administrative Management, representing 300 of Britain's largest business telephone users.

Information

In addition to claiming that the Post Office had failed to control its costs, TMD recommends that Posts and Telecommunications should be

separated. The Telecommunications administration should then relate the price for individual services to their cost, as far as possible.

Behind this point lies concern that the business community is subsidising the cost of services to the residential subscriber. TMD also recommends that Post Office accounts should contain more information on the apportionment of costs between business and residence.

When relationships between the tariffs for different services had been rationalised, they should be maintained until a change in cost justified a change in price.

TMD prefers a virtual free market, along the lines of the "interconnector" market in the United States. It also recommends that the Post Office should no longer have a monopoly of moving telephone

apparatus within subscribers' buildings, a common cause for complaint on the grounds of cost and delays.

Electronic instruments capital return only 8%

BY CHRISTOPHER LORENZ

THE AVERAGE return on capital employed by 80 leading U.K. electronic instrument manufacturers is only 8 per cent, says a report just published.

The industry showed little real growth over the review period, the three years ending in April 1975, according to ICC Business Ratios. The 40 per cent increase in the value of sales would have been largely due to higher prices.

"If any industry is a 'key' industry in terms of future development," this one is, says the

report, and asks: "What kind of a reward does a return of 8 per cent provide?" It suggests that this cannot cover past investment, as well as be an incentive for present investment and future development.

There are wide differences between individual companies' profitability: 16 show a return of more than 20 per cent, but the same number show one of less than 2 per cent.

Electronic Instrument Manufacturers' ICC Business Ratios, 81 City Road, London EC1, E34.

Index-Linked savers can cash first certificates

BY CHRISTOPHER HILL

NOW THAT the National Savings Index-Linked Retirement Certificates have been on sale for more than a year it is possible for the first batch of pensioners to cash them with the benefit of index-linking—an increase of 18.9 per cent, net, gauged by the Retail Prices Index.

According to the Department of National Savings, there has been no significant increase in the number of applications for repayment. In the last few weeks there have been more inquiries from people considering what to do.

The most usual misconception is to think that after a year the index-linking applies only to the original investment of up to £500. But index-linking applies to the whole amount plus the

index-linked benefit and there is no need to cash the bonds unless the pensioner needs the money.

The Department also points out that it is possible to opt for partial repayment of multiple certificates.

Since the certificates were launched on June 2 last year, the total uptake, up to May 22 this year, has been £270.8m.

Compared with the £58.6m attracted in the first month, the monthly average is about £10m.

The idea of an index-linked Saver is certainly looked upon as a success by the Department for up to May 20 this year 348,074 contracts had been sold, a total monthly commitment by savers of £1,888,838. This makes an average monthly commitment per saver of £14.05.

Company pound dealings normal, says Liberal

BY PETER HENNESSY, LOBBY CORRESPONDENT

MOST of the speculation in sterling during a recent decline were "respectable" British companies," Mr. John Pardon, Liberal spokesman on economics, said last night.

For reasons of business prudence, British firms had been buying foreign currency and selling sterling as part of their normal transactions, said Mr. Pardon.

"The result can be seen in the latest British Leyland accounts, where almost the whole of the profit was due entirely to neces-

sary operations in the currency market."

The low level of investment in manufacturing industry in the 1950s and early 1960s was due to an overvalued currency, if the £ was now undervalued, it was the best news British exporters had had for many years.

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CAPITAL FOR INDUSTRY

Scots insurance companies not to invest in equity bank

BY MICHAEL LAFFERTY AND ERIC SHORT

AT LEAST seven of Scotland's leading life assurance companies are inadequate and that there is the alleged investment gap.

Scottish Amicable, Scottish Equitable, Scottish Life, Scottish Mutual, Scottish Provident, Standard Life and the Life Association of Scotland—will not be investing any money in the City's equity bank, Equity Capital for Industry.

Most Scottish insurance companies are still strongly opposed to ECI in principle, although there is now little doubt that sufficient capital will be raised to get the project off the ground by the time the subscription lists close on June 21.

The total capital requirement has been split up: £17m, each, being sought from the insurance companies and pension funds, with £5m from the investment trusts and £4m from unit trusts and Finance for Industry, the big bank's medium-term loan institution.

The only company which has yet to make a decision is Scottish Widows' Fund and Life Insurance Society. Its Board meets today but the chairman's report casts doubts on the possibility of it taking up any shares.

The present sources of finance are inadequate and that there is the alleged investment gap.

Most supporters have expressed severe reservations over the original proposals for a £500m equity investment bank, but they are now satisfied with the present proposals, methods of operation and use of the funds.

They accept that it is a City venture designed to meet a financing problem and should therefore be backed by City institutions.

Insurance companies are still reluctant to disburse their actual contribution to ECI, but this sector's total allocation (£17m) is divided between companies in proportion to their 1974 returns.

Some life companies said it amounted to less than 0.1 per cent of their funds.

The opposition from the English companies, while small in number, is quite vocal. The Assurance Society, its Board meets today but the chairman's report casts doubts on the possibility of it taking up any shares.

The main opposition comes from two life companies—Sun Life and Equity Law—and the Co-operative Insurance Society.

The general theme of the supporters is that while they are by no means convinced that

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Builders throw away enough to put up 10% more homes

BY DAVID FISHLICK, SCIENCE EDITOR

MATERIALS WORTH £300m—enough to build 10 per cent more homes—are scrapped every year on building sites in Britain, according to the annual report of the Building Research Station.

Another of its studies has indicated that the "consistently confused pattern of work which usually develops" is the main reason why it takes so long to build houses.

The research station near Watlington, has found that the level of waste varies widely from site to site but for building materials, described as fairly typical, it is between 2 and 20 per cent, with an average of 10 per cent.

Its report points out that this is twice the waste normally allowed for in estimating.

The laboratory has developed and standardised a system for checking waste, which it recommends applying at the monthly

evaluation, when stocks of materials on site have to be assessed for payment.

The system calls for three pieces of information, all of which are said to be available at most sites: a statement of quantities of materials received on site.

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Banking White Paper

A WHITE PAPER on banking is in an advanced stage of preparation Mr. Sir John Clinton Davis, Under-Secretary for Trade, told the Commons yesterday.

He made the disclosure when resisting further demands from Labour for a white paper on Government action to bring banking and insurance into public ownership.

Mr. Davis recalled the recent statements made in the House by Mr. Harold Lever, Chancellor of the Duchy of Lancaster, and Mr. Anthony Wedgwood Benn, Secretary of State for Energy, which he said made it clear that the Government had no plans to nationalise either banking or insurance.

Supervision of insurance companies was being progressively strengthened under the Insurance Companies Act, 1974.

Ulster coalition talks may preserve unity

BY OUR BELFAST CORRESPONDENT

THE FUTURE of the Unionist coalition in Ulster, threatened by the disclosure that one of its parties has been engaged in secret talks with local Roman Catholic politicians, was still undecided last night after a crisis meeting developed into a stand-off by both sides.

The meeting was apparently not as heated as the public anger of the political leaders had indicated.

Mr. Harry West's Official Unionist Party, which has been involved in the meetings with the Social Democratic and Labour Party, had willingly accepted a postponement of the crucial decision about the coalition's continued existence.

The Unionists went into the meeting determined that the attempt to reach a political settlement with SDLP should

continue in spite of the opposition of the Rev. Dr. Ian Paisley, the Democratic Unionist and the smaller United Unionist Movement led by Mr. Ernest Baird.

Although the two sides seem irreconcilably split on the issue of the past ability of the coalition to plaster over the cracks points to another attempt by all the parties to keep their fragile unity intact.

Mr. Paisley, whose party leaked the news about the Unionist SDLP talks and then publicly condemned them, left the meeting early for a previous engagement. Coalition sources said that no dramatic statement was expected from the meeting.

Mr. Paisley said yesterday that he had asked Mr. West to be allowed to make public the facts as he knew them. Mr. West, however, refused and Mr. Paisley said later that he would keep them confidential.

Company pound dealings normal, says Liberal

BY PETER HENNESSY, LOBBY CORRESPONDENT

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The Technical Page

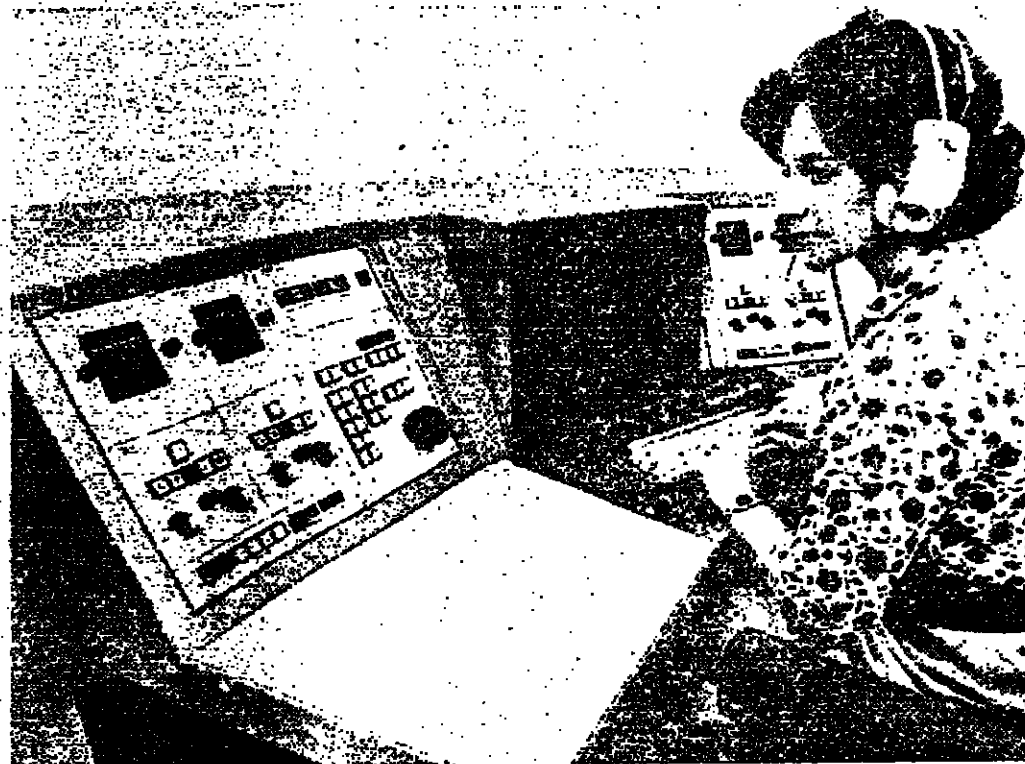
EDITED BY ARTHUR BENNETT AND TED SCOBETERS

COMMUNICATIONS

Less stress for radio monitors

MONITORING RADIO transmissions for security and news media purposes is an exacting job that imposes a great deal of nervous wear and tear on operators. For this reason, during the past four years, Rediffon, with Government support has been developing a unit called CERES in which the listening console provides reception, recording, and computer processing of signals. The unit is designed to capture important transmissions and to reduce operator fatigue.

Unveiled this morning at Communications 76 in Brighton, the listening console provides reception, recording, and computer processing of signals. The unit is designed to capture important transmissions and to reduce operator fatigue. Typically with monitoring facilities, a team of six operators, CERES gives each a console for remote manual and computer control of four receivers and associated equipment, including antenna selection units and two four-channel special purpose tape recorders. Incorporated in the console is a visual tuning aid for each receiver, and audio selection and control circuits for each receiver and tape recorder. The receivers, aerial switching, receiver memories, microcomputer, tape recorders, time-code generator and disc store, are located as remote equipment in an optimised environment. Automatic control status of the remote equipment by the computer is shown by means of a visual display unit, also used for the transcription of received information. Hard copy is provided by an associated needle printer. The range of operational tasks that may be carried out by the CERES system is very wide and includes monitoring of a precise frequency—either continuously or at specified times, monitoring of several fixed frequencies, narrowband or wideband search, and other functions. Each operator can control four different tasks simultaneously, transcribing one transmission in real time and, if necessary, recording other transmissions for subsequent replay and transcription.



An operator instructing Rediffon's CERES monitoring unit to search for radio transmissions within certain wavebands.

Applications for this system are wide and include monitoring and alarm initiation of distress frequencies, integrated defence communications systems, cryptography, channel utilisation, point-to-point communications, networks and surveillance systems. The equipment has already been described to inward purchasing missions.

Rediffon Telecommunications, Broomhill Road, Wandsworth, London SW18 4JQ (01-874 7281).

INSTRUMENTS

Inherently safe gas analyser

GAS ANALYSER, Model 81PCT pneumatic composition transmitter, has been introduced by Foxboro which calls it revolutionary. As the first all-pneumatic analyser, it is inherently safe in hazardous environments, without the need for special enclosures.

Utilising pneumatic components from the Foxboro PCTim line, with well established chromatographic techniques, the 81PCT is highly reliable and easily maintained. PCT samples and measures the concentration of one or two gaseous components in a process stream. The measured concentrations are transmitted as a pneumatic trend signal which is updated with each sample. Chromatography achieves the separation of the components in the sample. Density changes serve to detect and measure the concentration of each component of interest.

Density is determined by measuring the differential pressure across a jewelled orifice, using a capillary to compensate for flow variations. The analyser's functions are controlled in sequence by a pneumatic ramp generator whose output pressure signal represents time. A unique feature updates the timing of the programme automatically each cycle. Foxboro Yoxall at Redhill 65000.

ENCLOSURES

Tensile and compressive tester

A BENCHTOP testing machine with a 2250 lb load capacity and a displacement range of 3 inch for tensile or compressive testing of a range of materials is available from Welwyn Strain Measurement, Armstrong Road, Basingstoke, Hants, RG24 0QA (0256 62131).

For maximum testing flexibility the V.E. BT-1000 has both load and stroke control, as well as rate control. Load, measured by a strain gauge load cell, and stroke are shown on two meters scaled in imperial and SI units. Push button internal calibration is provided. Permanent records of loads and deflections can be made on auxiliary recording devices, such as X-Y recorders, using the amplified outputs.

ELECTRONICS

Probe shows logic at a glance

PUT ON the market by Zone Electronics is a small self-contained probe measuring about 1 inch diameter by 7 inches which will not only indicate the normal logic states in a circuit but will also indicate the presence of fast noise spikes or "glitches" as they have become known. The probe has precision voltage comparators which activate one of three LED lamps. Red indicates that the node is in a logic one state, green a logic nought; in the case of an incorrect level between the two, neither lamp lights. Switched to "pulse" mode, the probe's yellow lamp comes on for 200 milliseconds whenever a transition is sensed. Normal pulse trains are ignored in this mode, the probe responding only to signals faster than those normally found. Probe tip is hardened and

ground steel with nickel plating and the device needs only a nominal 5V supply for operation. It is intended as a servicing aid for both the design and field engineer. More from 60, King's Walk, Gloucester, GL1 1LA.

PRINTING

Ink system for films

GRAVURE AND flexographic printing of films for packaging food have always posed problems for the printer because of the diversity of the materials used for the film, based on a range of plastics, has in turn imposed several different ink systems using a variety of resin types to ensure adequate adhesion. Fishburn Printing Ink Co., 94 St Albans Road, Watford WD2 4BL, Herts (Watford 26282), has introduced an ink system which will cover the vast majority of cellulose, polyolefin, and saran-coated films. Called Impac, it is an alcohol/ester reducible system comprising three whies, 12 colours and

three additives (for specific film problems). The colours are high-strength finely dispersed pigments for flexo and gravure, surface and reverse printing, either directly on certain films or over one of the whies. Additionally, the system is applicable to polyester and cast nylon films, paper, board, nitro-cellulose and shellac washed films. The inks are commercially lead-free and meet the recommendations of the Society of British Printing Ink Manufacturers for inks designed to print on immediate food wrappers. The full colour range, which includes a process set and several widely used packaging colours, should facilitate in-plant blending, enabling the converter to produce all colour requirements quickly and economically. Suitable for a range of printing speeds, the inks have good heat, grease and scuff resistance, high gloss and flexibility, together with low odour and taint. They are suitable for use with appropriate single and two component laminating adhesives and are recommended for all natural and synthetic rubber stereotypes and photopolymer plates.

DATA PROCESSING

Inflation no problem for users

SPL INTERNATIONAL and Alvan Computer Consultants, have signed an agreement under which they will provide the first leasing service for software and total project. That the proposal is being taken very seriously indeed is underlined by the fact that a standard Government Lease Contract has been prepared in consultation with the Stationery Office, so that Government and local govern-

ment users can avail themselves of the service. Leasing of hardware has long been a standard procedure, but marrying software and hardware, the two fundamental aspects of computing, has, in the past, always been difficult, particularly from the viewpoint of funding.

The SPL service will allow the client to finance his total project by equal monthly payments, which start once the contract has been signed, thus eliminating the need for large capital outlay at the various implementation phases of the project. SPL will also provide a consultancy service to advise clients on the best type of financial arrangements for funding projects, that is, leasing, lease-purchase or purchase. Users have a choice of lease and lease-purchase contracts. This new service offers "inflation-proof" proposals, irrespective of time scale, and permits the re-equipment of government and industry without large cash outlay. It should, therefore, enable many companies previously postponed due to lack of funds. Alvan are financial consultants who specialise in putting together lease and lease-purchase proposals and arranging project finance for their client companies. SPL International, 12 Windmill Street, London W1P 1HF. 01-636 7833.

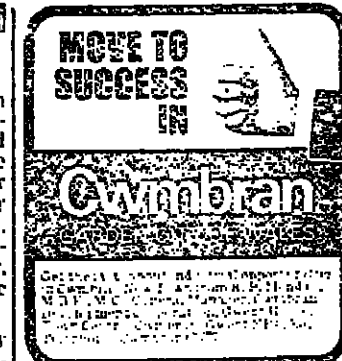
IN BRIEF

- Money could be saved by local authorities switching to a system of rate and rent payments developed by Kenrick and Jefferson in co-operation with Data Recognition, the companies assert. Personalised rent books are produced in form by Kenrick and Jefferson showing the tenant's name, address and tenancy reference numbers. This information is shown in normal clear printing, and a bar code which is read by the Data Recognition Dataterm 3 optical mark reader. Inserts inform the tenant precisely where and when to pay, how much, and provide a receipt for payments. On payment cashiers hand-mark in the amount paid, reconcile, batch and send the coupons to the authority's data centre for processing and file up-dating. Data Recognition on 0734 595511.
- Software Sciences Products of Macclesfield, Cheshire, part of the Farnborough-based Software Sciences Group, has concluded a marketing agreement with Computel, the Bracknell-based computer bureau, under which Computel's clients will be able to use a ROBOT service. This agreement is believed to provide the first 1900 database service to be offered through a bureau. Computel on 01-247 6525.
- Gemini and Synergy Software have an agreement in principle to merge. This will make an even larger European group since Gemini Computer Systems is the U.K. representative of the CAP-SOFT-GEMINI (CSG) Group of companies. Europe's main software services group.
- Unilever Computer Services has a "Master Plan" service for project management through network analysis. This brings to

SECURITY

Ultraviolet finds clues

SOME FORGERIES, certain drugs, adulterated or contaminated foods, etc., fluoresce when exposed to ultraviolet light. To carry out this type of check and other non-destructive test applications, a self-contained portable UV light source has been developed. The unit is 7 1/2 x 21 x 2 1/2 inches and weighs 1 lb. Items to be examined are viewed through the body of the unit which is designed to exclude extraneous light. It is powered by two Ni-Cd cells which when fully charged will allow at least 120 several-second UV exposures. The built-in charger will recharge the batteries in 14 hours from the mains. Details from Linolite Special Products, Play Road, Farnham, Dorset, TW14 0TW (01-860 5142).



MAINTENANCE

Blasts the dirt from the floors

JETTOVAC is the first of a range of machines which will use the immense power of jets of water at extreme pressures—between 1000 and 2000 psi—to remove debris, grates and general dirt from hard floors of any type. At the same time as the jet is operating, a powerful suction effort is put to work to remove all the spent water, together with soil and debris. This is done with any type of machine in which the solids are first removed by filtration. Following this, the fluid portion is again filtered and pumped to the drains.

The Jettovac machines can cope with any type of floor from smooth concrete to cobbles and will clean out deep fissures, fixing holes and the like, as well as tight corners. Loose material up to 1 inch diameter will be taken up and the equipment may be used either as a pure jetting machine or as a powerful vacuum unit. Flon Drains (London), Julies House, Woodcote, Reading Check, London (0481) 88122.

For safety's sake, read your windscreen.

The XXX trademark on your windscreen stands for Triplex—world leaders in safety glass technology. A comforting thought. Advanced Triplex windscreens are fitted in Concorde.



Triplex quality and safety standards have made us the major supplier of safety glass to the UK motor industry. So insist on genuine Triplex if replacement is necessary.

Toughened or Laminated. Your windscreen will tell you if it's Toughened or Laminated. Triplex make both. Toughened, fitted to most British cars, is a very strong high quality glass. Laminated is a glass/flexible plastic/glass sandwich that has important safety and convenience advantages.

For your peace of mind all Triplex products carry the British Standards Institute and other international quality approval symbols.

Does your windscreen carry all this information? Check now. We hope you have a good, safe read.

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Triplex. For safety's sake, keep our name in front of you.

Union leader defends profit

CRICKET

England head for a draw

BY TREVOR BAILEY

LAND RESUMED its fourth day of the Test against West Indies at Trent Bridge today. The West Indies took 21 for 3 with Steele not out and Woolmer not out 53 in 45 weather at Trent Bridge.

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Tony Greig's off stump is sent flying and the England skipper collects a duck from the fast bowling of Roberts on the fourth day of the First Test.

The 16 runs were obtained by Snow and Old — who had returned in the afternoon — off the bowling of Julian and Roberts. They took the score past 300 before Old, who occasionally unleashed a fine drive, was bowled by Daniel.

With the follow on averted, much of the fire and enthusiasm left the West Indies bowlers and fielders. Snow and Hendrick

At the close of play, the West Indies were 124-3 with Richards, the centurion in the previous innings, 43 not out.

showed that it was not too difficult to stay at the crease.

At 352, Hendrick was unable to resist a slow full toss from Fredericks and was caught off a miss-hit. England's total of 332 meant that the Tourists had a lead of 162 and, with four sessions remaining, a draw was highly probable.

After an early tea, Fredericks and Greenidge came out to open the innings for the Tourists. They looked quietly against the bowling of Hendrick and Snow, who was unlucky to have the little West Indian left-hander dropped by Brearley at second slip.

West Indies first innings 494. (Richards 232, Kalicharran 97). England first innings: 332 (Steele 106, Woolmer 82).

HOME CONTRACTS

£3.7m. work on Authority's water schemes

The Northumbrian Water Authority has awarded contracts totalling more than £3.7m. TAYLOR WOODROW CONSTRUCTION (NORTHUMBRIA) has received a £2,367,345 order to build Howdon (South) sewage treatment works, part of the Tyneside sewerage scheme.

STANTON AND STAVELEY, Nottingham, has won a £284,304 contract to supply pre-stressed concrete pipes for the conduit 37A—a link-up main between Blackwell Station and Neasham Road, Darlington, to be installed as part of the Tees area raw water augmentation scheme.

J. ELAKEROUGH AND SONS, Brighouse, Yorkshire, has obtained a £68,693 contract for drum screen mechanisms for the Sunderland sewerage scheme. LEF HOWL AND CO., Tipton, West Midlands, a £4,224 order for pumping plant and ancillary equipment for Westwood sewage treatment works, Ebbw Vale, County Durham.

PLESSEY TELECOMMUNICATIONS has won a series of orders, worth £1.5m., from the Post Office for frequency division modulation equipment as part of the expansion of the national trunk telephone network.

HENRY BOOT CONSTRUCTION, Sheffield, has received a £80,000 contract to construct 107 dwellings for the Walsall Metropolitan Borough, comprising 48 flats in four three-storey blocks of 12, and 59 two-storey houses of three types. The company has also been awarded a £185,000 contract for reconstruction of a road over rail bridge at Huntington North railway station for British Rail Eastern Region.

MARRIAT JACKSON NORRIS, part of the Sime Darby Group, has won plumbing and heating contracts worth £200,000. These have been placed by Bovis Construction for the Greater London Council and are for 717 dwellings under construction in Islington, as part of the Elthorne Road development scheme.

ICI won contracts totalling more than £300,000 at the recent Offshore Technology Conference and Exhibition in Houston, Texas. Seamless titanium tubing for high integrity transfer of tubular heat exchangers, worth £121,000, was ordered from Imperial Metal Industries for the Phillips Norway Group Ekohsk project in the North Sea. ICI paint division, in conjunction with Metallisation Service, was awarded a contract to supply high durability paints for six modules being fabricated for Ninian Field production platforms. And, in association with Salamis Marine and Industrial, it sold protective coatings for 25,000 metres of immersed steelwork on the Ninian central platform now being built at Loch Kishorn in Scotland. The two paint division contracts are together valued at about £100,000.

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ENTERTAINING is so easy at the GAY-LIGHT. Considered as one of London's most select night clubs for quality entertainment, Gay Cabaret every hour, friendly discreet service in the luxurious surroundings of the club. Open 9 a.m. to 3 a.m. Mon. to Sat. incl. valet cover charge £10.00. No membership fee out of town or overseas visitors. 4 Duke of York Street, St James's, London W.1. Tel. 01-493 734 1071 (after 6 p.m.) 830 1642.

EVE, 189 Regent St, 724 0557. A is a party of 10. 10.45, 12.45, 1.45 and music of Johnnie Walker and Friends.

GARGOYLE, 50 Dean Street, London, W.1. STRIPTEASE FLOORSHOW. UNLIMITED. Show at midnight and 1 a.m. Hostesses. Monday-Friday Closed Sat. 437 8485.

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Williams & Glyn's knows that customers can have bad times as well as good.

Williams & Glyn's believes that when times are hard, a good bank is the best ally a business can have. Not a 'yes' bank nor a 'no' bank but one that is realistic, one that won't allow temporary difficulties to disrupt its long term support of good management and good ideas. Williams & Glyn's will willingly involve itself in your business to a greater extent than is normal — from advice on simple methods of streamlining cash movements to a re-examination of the whole of your company's capital structure. If there is a solution to a customer's financial problem, we believe it's our job to find it.

That's a greater degree of commitment than many banks undertake. But then Williams & Glyn's is a rather different kind of bank. Among other things it is geared to quick decision making because it is organised so as to give more management time and effort to individual accounts.

Is it time for a fresh approach to your banking problems? If so, call in to see the manager of your local branch of Williams & Glyn's Bank. Or write to: Marketing Development Office, Williams & Glyn's Bank Ltd., New London Bridge House, 25 New London Bridge Street, London SE1 9SX.

WILLIAMS & GLYN'S BANK LTD

The most flexible of the big five banks

A member of the National and Commercial Banking Group and one of the Inter-Alpha Group of Banks



CISALPINE OVERSEAS BANK LIMITED

(Incorporated under the laws of the Commonwealth of The Bahamas)

BALANCE SHEET AT DECEMBER 31, 1975

(Expressed in United States dollars)

	December 31, 1975	December 31, 1974
ASSETS		
Cash and due from banks	70,214	881,557
Debtors	131,553,667	133,660,760
Others	101,624,161	134,542,317
Time deposits	9,583,130	23,002,128
Debtors	121,681,108	45,787,833
Others	36,235,620	23,000,000
Other financial institutions	167,600,858	91,799,961
Loans and advances	5,534,351	—
Debtors	133,520,932	205,480,784
Others	139,055,283	205,480,784
Securities, at cost	7,072,589	7,067,274
Quoted (Market value \$7,112,503)	2,237,758	5,869,239
Unquoted	10,404,327	15,960,513
Accrued interest, commissions and other accounts (less provision)	181,949	641,417
Debtors	5,927,844	9,338,748
Others	5,088,593	9,880,163
	\$424,774,242	\$457,763,718
LIABILITIES AND SHAREHOLDERS' EQUITY		
Deposits	168,943,913	162,044,848
Debtors	225,318,243	285,967,069
Others	394,289,156	428,031,712
Accrued interest, commissions and other accounts	2,228,059	2,798,101
Debtors	4,209,676	4,484,858
Others	6,429,775	7,284,050
Proposed dividend	900,000	900,000
Shareholders' Equity	—	—
Share capital:	—	—
43,000 'A' shares having a nominal value of \$100 each and 13,500 'B' shares having a nominal value of \$1,000 each	\$18,000,000	\$18,000,000
Issued and fully paid:	—	—
22,500 'A' shares having a nominal value of \$100 each and 6,750 'B' shares of a nominal value of \$1,000 each	9,000,000	9,000,000
Share premium	3,250,000	3,250,000
General reserve	10,900,000	9,250,000
Unappropriated retained earnings	31,311	47,946
	23,181,311	21,547,846
	\$424,774,242	\$457,763,718

1. The company's operations
Cisalpine Overseas Bank Limited, a subsidiary of the Banco Ambrosiano group, is licensed by the Ministry of Finance of the Bahamas to carry on banking and trust business.

2. Accounting policies

(a) Translation of foreign currencies
Foreign currencies have been translated into U.S. dollars in the accompanying financial statements as follows: all assets and liabilities at the year-end rates and operating income and expenses at the average quarterly rates.

(b) Transactions as trustee or nominee
No account is taken in these financial statements of assets held or liabilities incurred as trustee or nominee.

(c) Reclassification
Certain reclassifications of the 1975 figures have been made in the financial statements to conform to 1975 classifications.

REPORT OF THE AUDITORS TO THE MEMBERS OF CISALPINE OVERSEAS BANK LIMITED

In our opinion the accompanying balance sheet gives a true and fair view of the state of affairs of Cisalpine Overseas Bank Limited at December 31, 1975.

PRICE WATERHOUSE & CO.
Chartered Accountants

we were noteworthy when Melba sang



Dame Nellie Melba made her operatic debut in 1887, when we were already a household name. The chef Escoffier created his Peach Melba especially for her. Dame Nellie remained a celebrity until her death in 1931. Since 1850, Northern Rock too, have had something to sing about: 126 years of good service to savers, investors and home-buyers. Northern Rock represents safety and steady growth for your money. Time has proved it!

Save safe with Northern Rock

A Countrywide Building Society

Chief Office: Northern Rock House, P.O. Box No. 2, Gosforth, Newcastle upon Tyne NE3 4PL. Telephone: 0632 857191

London Office: 17 Conduit Street W1R 0BX. (01-499 3563)

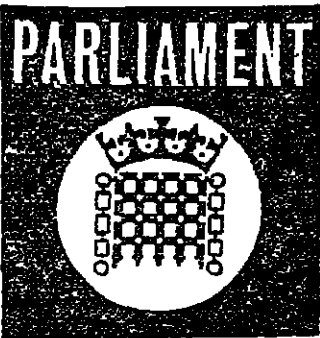
72 London Wall EC2M 5UY. (01-626 4306)

77 Kingsway WC2B 6ST. (01-405 1596)

Scottish Office: 39 Melville Street, Edinburgh EH3 7JF. (031-225 3404)

BRANCHES AND AGENTS THROUGHOUT THE U.K.

ASSETS EXCEED £200 MILLION



MPs urge Lonrho report publication

THE GOVERNMENT is still considering whether the report of the inquiry into the Lonrho company will be published. Mr. Edmund Dell, Trade Secretary, told the Commons yesterday.

Mr. Dell told Mr. Teddy Taylor (C. Cathcart) that the report had been submitted on March 1. "At present the report is being considered and no decision has yet been taken about publication."

Mr. Taylor, demanding to know what was going on, asked: "It is true that there has been pressure from other Ministries that this report should not be published, and isn't it unfair to the Lonrho company that, after all the allegations have been made against them, not to have this report published at all?"

Mr. Dell: "What is going on is that I am considering this report and whether it should be published."

Mr. Marcus Lipson (Lab., Lambeth Cent.) suggested that the report might have been held up because certain peers had received golden handshakes.

Mr. Dell said there was nothing unusual about the length of time being taken.

In reply to Mr. William Hamilton (Lab., Fife Cent.) who asked for an assurance that the Government would publish as much as possible of the report and explain in the Commons why it had not published all of it, Mr. Dell said he could give no such assurance. "We will have to consider the report and make the decision," he declared.

Hopes for new Concorde route

MR. EDMUND DELL, Trade Secretary, said in the Commons yesterday that he hoped it would be possible to start a Concorde service to Moultrie when sufficient aircraft were available.

After Mr. Terence Walker (Lab., Kingswood) urged that there should be consultations with India about flights over that country, Mr. Dell revealed that India was not willing to be flown over by Concorde superpersonally.

Returns 'not yet filed'

A TOTAL of 79,000 companies have not yet filed their annual returns for 1974 and there are 455,000 returns outstanding for 1975, Mr. Stanley Clinton-Davis, Trade Under Secretary, said in the Commons yesterday.

That represented 12 per cent. and 38 per cent. of the "live" companies registered in London, he added.

Healey repels Tory attack

BY PHILIP RAWSTORNE

WITH THE strength of the Central Banks around him, Mr. Denis Healey had no difficulty yesterday in repelling the Conservative attack on his economic policies.

The 55th, statement of support for sterling reinforced the Government's political confidence as well.

And, further fortified by the miners' ballot, Mr. Healey later sallied out to taunt the Tories with their threat of a censure debate while prudently putting the aircraft and ship-building nationalisation Bill out of harm's way.

The Tory political pressure had been carried like that of the market to an unjustified level, the Chancellor believed. And his statement, though it provoked a few jeers, relieved the Government of both.

An impressive demonstration of international banking co-operation in support of sterling against unjustified

market pressure," he described the Central Banks' action.

It certainly elicited yesterday's skirmish in the Government's favour, though Mr. Healey had arrayed his own formidable defence of the Government's position.

"Those who have sold sterling have done so in disregard of the basic facts of our economic position," the Chancellor declared.

The prospects for production, inflation, exports, imports and pay were all promising. "This is not a situation in which any responsible British Government could allow itself to be pushed into hasty and ill-considered changes of policy on public expenditure."

Government spending targets would not be exceeded and would be adjusted to meet the prior claims of exports and investment, he said.

Sir Geoffrey Howe, Tory economic spokesman, had some problems in adjusting his attack and could make

little impression on the dollar-plated Chancellor. He demanded "public financial rectitude" from the Government—cuts in public expenditure in the national interest.

All he got was a sharp knock from Mr. Healey for "allowing party pressure to override his patriotism" and a chorus of Labour derision. Sir Geoffrey's attitude was "a very shabby contrast" to that of the international banking community, Mr. Healey declared.

After that, the Conservative probing became markedly tentative—even more so after Mr. John Pardon had made it clear that, on this issue, the Liberals were not going to ally themselves with the Tories.

Only Mr. Edward Taylor (C. Cathcart) penetrated the Government's armour by asking why, if the bankers were so confident about the future of sterling, they weren't buying it instead of lending money to protect it.

Sterling sellers 'disregard basic facts of economic position'

MR. DENIS HEALEY, Chancellor of the Exchequer, said in the Commons yesterday: "Those who sell sterling have done so in disregard of the basic facts of the economic position."

In a statement, the Chancellor claimed there was no economic justification for the fall in the value of the pound, and that there was no economic case for changing public expenditure plans for the current year. "But we are determined to ensure that the planned total of expenditure is not exceeded."

The Government had made it clear to local authorities that they must bring their spending estimates for the current year within the figures given in the White Paper on public expenditure.

Mr. Healey said he was ready to take action in the fiscal as well as the monetary field if he thought it necessary.

The Bank of England was that day announcing the issue of £500m. worth of new long-dated 13½ per cent. Exchequer Stock 1986 which would yield over 14 per cent. on redemption.

Mr. Healey went on to announce the 55th, standby credit which was being made available to the Bank of England to help the stability and efficiency of the international monetary system.

This comprised \$50m. from the U.S. and the rest from the Central Banks, and other countries, including Switzerland, and the

Bank for International Settlements. Any drawings would be only temporary, though the Government would seek further drawings from the BIF if it was thought necessary.

There were shouts of "No!" from Opposition MPs when Mr. Healey added that he hoped the whole House would recognise this as an unprecedented support for sterling against unjustified market pressure.

Sir Geoffrey Howe, shadow Chancellor, said the whole House would be concerned that the new announcements involved significant additions to the Government's borrowing requirements both at home and overseas.

To jeers from the Labour benches and Tory shouts of support, he added that the reason for our troubles in the last two weeks and the last two years was not so much lack of confidence in purely economic factors but in the political management of our economy under this Government.

Sir Geoffrey said the experience of the past two weeks made it plain that although restraint on pay bargaining was vital, the financial rectitude, still being looked for in vain, was even more important.

People here and abroad continued to be disturbed that a large part of the Chancellor's own party failed to support the Government's White Paper and continued to behave as though it did not exist.

The Chancellor should announce clear financial targets. When would public spending be cut, instead of increased?

Sir Geoffrey asked whether the Government was prevented from taking decisions essential in the nation's interest by some sort of secret agreement with the TUC. The country was crying out for a Government which would take the difficult decisions in the interests of the nation as a whole.

Mr. Healey, replying, attacked Sir Geoffrey for "once again allowing party passion to override the patriotism we expect to characterise the Opposition from."

Sir Geoffrey was giving a tour

and sullen reception to this massive international endorsement of sterling.

Mr. John Pardon, Liberal spokesman, commented that all who were not totally overcome by party political passion would welcome the Chancellor's determination not to indulge in panic cuts in public expenditure.

"Such cuts would be totally phoney and could not be implemented by Government."

The natural conclusion from Mr. Healey's statement was that there was no economic justification for the falling pound was that the reasons were political.

Mr. Healey said he was grateful to Mr. Pardon for expressing the views of the British people.

Mr. John Horam (Lab., Gateshead W.) said that according to German sources, Britain now had the greatest opportunity she has seen for 20 years.

Mr. Healey, agreeing, said the remark made an interesting contrast with a recent speech by Sir Geoffrey Howe on the Government's pay agreement with the TUC.

Mr. Geoffrey Rippon (C. Hexham) asked whether the Chancellor had any immediate plans for drawing on the loan he had secured.

Mr. Healey said Mr. Rippon knew that no Chancellor would ever answer such a question. "There are a very large number of people who would like to know where I am going to use that money and I am not going to tell them."

Mr. Nicholas Ridley (C. Cirencester and Tewkesbury) said that since the announcement of the pay deal with the unions the pound had fallen 15 cents against the dollar. The real problem was expensive, profligate Government spending.

Mr. Bob Cryer (Lab. Keighley) said a Labour Government could not be subject to the whims of speculators in sterling.

Mr. Healey said there had been a number of factors involved. "Speculation, in the sense in which you intend it, played only a very minor part, in my view, in recent events."

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Foot still wants air Bill approved

BY JOHN HUNT

THE EXPECTED Tory attack over the Government's controversial Bill to nationalise aircraft and ship-building failed to materialise in the Commons yesterday, when Mr. Michael Foot, leader of the House, announced that the report stage, which was to have started today, was being postponed for a short period.

He promised that the Government had every intention of getting it on to the Statute Book this session, and firmly denied any plans for withdrawing the much-criticised Dock Work Regulation Bill.

Mr. Foot and Labour backbenchers taunted Mrs. Margaret Thatcher, the Conservative leader, over suggestions that the Opposition had intended to put down a motion of censure on the Government. But Mrs. Thatcher sat in silence as Labour backbenchers chanted "Censure motion" and "Come on, Maggie!"

Later, Mr. Robin Maxwell-Hyslop, Tory MP for Tiverton, raised his further point of order on whether petitioners against the Bill should be allowed to appear before the Bar of the House to state their case. The Speaker, Mr. George Thomas, said that he hoped to rule on the matter to-day.

During the brief exchanges in the Commons, Mr. Foot faced more trouble from his own Left-wingers than from the Conservatives. Some members of the Tribune Group were plainly sceptical about the Government's promise to press ahead with the Bill.

According to Mr. Robert Ryley (Lab., Ormskirk) the Government's resolve looked "about as firm as a pink jelly on a hot afternoon."

Mr. Foot told him that had the Government pressed ahead with the Bill to-day, there was every likelihood that very little progress would have been made. He assured him that he wanted the Bill on the Statute Book.

Mrs. Thatcher wanted to know why no arrangements had been made for an economic debate this week. The TUC, she said, was apparently already started discussions with the Government over a new social contract.

"Is this House never to have an opportunity of getting time to discuss the economic situation and to have a proper White Paper?" she demanded.

Mr. Foot also wondered if the postponement of the Bill meant that there would be major changes to it. If not, she wondered for whose convenience it was being postponed.

Mr. Foot retorted that it was for the convenience of the House generally. If the Tories were anxious to deal with it, then they would have very little to say.

He was determined that it should reach the Statute Book this session.

"There has been some talk of a vote of censure, but I think that that has all vanished," he quipped.

Later, in his lengthy point of order, Mr. Maxwell-Hyslop submitted that the Speaker should say when witnesses and petitioners could come to the Bar of the House to be heard before any further proceedings were taken on the Bill.

Alternatively, he asked the Speaker to announce by what date they could bring petitions to be heard by a Select Committee whose report would have to be made to MPs before the House gave further consideration to the Bill.

These points stem from Mr. Maxwell-Hyslop's original success before the Whitson recess when he got the Bill declared a hybrid measure and brought proceedings to a halt amid rowdy scenes in the Commons.

The petitioners against the Bill, in this instance, would be those companies which object to being nationalised. They would demand similar treatment to the company which was excluded from the Bill.

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Crosland takes tough line with cod deal critics

BY JOHN HUNT

MR. ANTHONY CROSLAND, Foreign Secretary, came in for some rough handling from MPs on both sides of the House yesterday when, in a toughly worded statement, he defended the interim agreement which had brought a halt in the cod war with Iceland.

He rejected allegations that 9,000 employees would lose their jobs as a result of the limitation of British fishing in Icelandic waters. Nor was it true, he said, that 80 trawlers would have to be laid up.

He explained that Mr. Fred Peart, the Minister of Agriculture, would shortly be announcing measures to alleviate any effects on the industry.

Using words that brought gasps of anger from MPs, he said it had been clear for some time to all thinking people—even if not to the more backward sections of the fishing industry—that in a world of 200-mile limits the industry must face a major adaptation.

His tough line was all the more surprising as Mr. Crosland himself represented the fishing constituency of Grimsby. But he firmly maintained that the only concession that had been made in the agreement was a concession to common sense.

The next steps will be an urgent study by the Government of what help it can give towards the restructuring of the industry, the revision of the Common Fisheries Policy and the decision by the EEC on its 200-mile limits.

Angry, Opposition spokesman Mr. Francis Pym demanded: "If the Government never was going to go through with its own policy, why did it embark on it in the first place?"

Mr. Crosland said that the full changes which now faced Humber ports and Fleet would have had to occur whether the agreement was signed or not. The Government was deeply sorry that the fishing industry would be affected.

He expressed his apprehension to those who took part in dangerous operation of private trawlers—and even the trawlers themselves—their courage, restraint and understanding during the dispute.

Mr. Crosland added: "We now concentrate on the future. This is the first step in a process of adaptation which British fishing industry has to make in this new world of 200 miles."

He predicted that the British fishing industry would emerge from these changes "a different but still a vibrant and prosperous industry."

Mr. Toby Jessel (C. Twickenham) asked what the effect the settlement would be on price of fish.

Mr. Crosland replied: "I will be an increase in the price of cod. But foot pressure on the price of fish will be less. The effect would be less than that caused by the devaluation trend towards 200-mile limits of the pound over the past months."

Mr. Foot retorted that it was for the convenience of the House generally. If the Tories were anxious to deal with it, then they would have very little to say.

He was determined that it should reach the Statute Book this session.

"There has been some talk of a vote of censure, but I think that that has all vanished," he quipped.

Later, in his lengthy point of order, Mr. Maxwell-Hyslop submitted that the Speaker should say when witnesses and petitioners could come to the Bar of the House to be heard before any further proceedings were taken on the Bill.

Alternatively, he asked the Speaker to announce by what date they could bring petitions to be heard by a Select Committee whose report would have to be made to MPs before the House gave further consideration to the Bill.

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BANQUE COMMERCIALE POUR L'EUROPE DU NORD (EUROBANK)

79/81 Boulevard Haussmann
75382 Paris Cedex 08

The Annual General Meeting of shareholders was held on May 11, 1976 and approved the accounts for the 1975 financial year which showed a marked improvement in the results of the Bank. In fact, gross results, before deduction of overheads and other charges, amounted to Frs.176 million, an increase of nearly 50% over the previous year.

After setting aside large sums for taxes, depreciation and reserves, net profits amounted to Frs.40 million. The balance sheet totalled Frs.13,600 million.

The General Meeting decided to distribute a gross dividend of 10% representing an amount of Frs. 25 million, and to credit the undistributed balance to reserves.

The terms of office as directors of Messrs. Vladimir Ponomarev, Vice-President and General Manager and Gilles Peillon, Director and General Manager, were renewed. The Board also includes Mr. Guy de Boysson, Chairman and Managing Director, the State Bank of the USSR, the Bank of Foreign Trade of the USSR, Messrs. Jean Brain and Henri Jory, Directors.

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MIDLAND INDUSTRIES			
HALF YEAR PRE TAX PROFITS UP 47%			
Unaudited results of the Group for the six months ended 31st March 1976			
	1975-76	1974-75	
Group turnover	£8,413,000	£6,420,000	
Group profit before taxation	602,000	410,000	
Taxation at 52%	(312,040)	(212,200)	
Group profit after taxation	289,960	197,800	
Preference dividend paid and provided	(1,050)	(1,050)	
Available to ordinary shareholders	287,910	195,750	
Amount absorbed by proposed interim ordinary dividend of 0.44p per share (1975 - 0.40p25p)	50,453	42,346	
Less amount waived by certain Directors and the Chairman's family	18,078 (32,383)	15,564 (25,662)	
Retained profit	225,527	170,088	
The interim ordinary dividend will be paid on the 4th July 1976 and the transfer books will be closed on the 21st June 1976.			
Heath Town Works, Wolverhampton WV10 0QD			

Rees denies 'reckless dealings' with Ulster extremists

BY JUSTIN LONG, PARLIAMENTARY CORRESPONDENT

MR. MERLYN REES, Northern Ireland Secretary, yesterday vehemently rejected Opposition condemnation in the Commons of behind-the-scenes talks with Ulster extremists.

But Mr. Airey Neave, Opposition spokesman, persisted in the accusation that Mr. Rees engaged in "reckless, misguided and dangerous dealings with the Provisional IRA." The Minister should restore morale by ceasing such dealings, he declared.

Mr. Rees, indignantly repudiating charges that he was "dealing with anybody," said: "I am engaged quite correctly in talks with people of all views in the Northern Ireland communities. These had been of great value to the security forces in recent weeks."

As the exchanges continued, the Minister added: "I am not in business to negotiate with murderers on either side."

As a result of the week-end violence in Ulster in which ten people were killed and 55 injured, 20 people were assisting

the police in their inquiries. Mr. Rees said in a statement on the situation. Two people had been charged, inquiries were continuing, and more arrests could be expected.

A more acceptable face for capitalism

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employees have invested their lives in the enterprise and should therefore, have a decisive say in its running. In some cases it is also true that because of the failure of a firm entirely apartly wipes out its capital while it does not, in the somewhat longer run, diminish the earnings prospects of those who work elsewhere in a buoyant economy. This deters employees and the right to vote in have, reduced the feeling of responsibility for an enterprise's success or failure. It has become widespread, in most cases, but workers micro if their wages were reduced than it does capital owners when they lose a part of their wealth or income. But this is precisely the reason why the principle of worker responsibility for the functioning of an enterprise is being so persistently carried through. The fact that no responsibility remains in it does not fall on capital.

The obverse of the upward leveling of wages is the lack of savings in enterprises. Nevertheless, there is much investment often misused, by mainly out of credit expansion which is inflation. Employees have a low propensity to save even when the state encourages them while in Yugoslavia what has long been saved in enterprises altogether back becomes "social property". The situation would deteriorate so much that if the employees were to decide on what would become the property of others. The Yugoslav government forced after attempts at redistribution of enterprise revenue by workers to introduce guidelines, negotiate between the government, traders and unions and chambers of commerce the principle of free management of enterprises.

Without much doubt, enterprises are fully aware that the

Times Tuesday June 8 1976
looks for rise
English Overseas reshuffle
ISSUE NEWS
Long
ISSUES
EQUITIES
INTEREST STOCK
BNTS" OFFERS
lights from the man's statement

Hanson ahead to £7.8m. after six months

GROUP PROFIT, before tax, of Hanson Trust, increased from £3.67m. to £7.8m. in the half-year to March 31, 1976, on sales up from £32.47m. to £74.88m.

The half-year profit includes no contribution from the recently acquired Hygrade Food-Products but shows a significant first contribution of £2.82m. from the new U.S. specialty products subsidiary, Carlsberg Industries. Sales from that source amounted to £40.51m.

The chairman Sir James Hanson said: "The substantial increase in profit for the year. The future is full of promise and the company will continue its strong performance, he says. Profit for the year to September 30, 1976, was £12.13m.

Earnings per 25p share increased from 5p to 10p. An interim dividend of 2.5p net is declared and the directors intend to pay the maximum permitted total for the previous year, a 6.5p interim of 5p on capital prior to a one-for-one rights issue, followed by a second interim of 1p and a final of 2.727p.

	1976	1975
Group profit before tax	7,800	3,670
Less: Corporation tax	(1,500)	(700)
Profit after tax	6,300	2,970
Less: Minority interests	(100)	(50)
Profit attributable to Hanson Trust	6,200	2,920
Divided by 25p shares in issue	12,400	5,840
Earnings per share	10p	5p

Growth continues across the board. In the U.S., the company will benefit from a full year's profit from Carlsberg Industries which will make a significant first contribution to results. After two exceptional years, profit from Seacost has resumed a more normal level, but the contribution at this year will be extremely satisfactory, says Sir James.

The building materials division has returned to its expected higher profit level and reserve production capacity for further growth is available if demand continues.

The U.S. subsidiary, Hanson Industries Inc., formed only at the end of 1972, has already acquired several major American industrial interests with annual sales in excess of \$800m. and, this year, will provide more than half Hanson Trust's profit. A highlight has been the recent acquisition of 94 per cent. of Hygrade Food Products Corporation, whose assets are included in the balance sheet, which shows the increase in sales in 1976 compared with 1975. Hygrade's first contribution to the group's profit is £2.82m.

Mr. R. B. Tibbs says that the results give cause for satisfaction.

The dividend per 5p share is stepped up from 0.923p to 1.016p net, payable on capital increased by a rights issue in July. The cost is £20,324 (£13,857).

Tax for the year took £73,984 (£89,339).

The rights issue curtailed borrowing and enabled the company to carry out some capital investment.

Of goods manufactured, 10 per cent. were exported, says the chairman.

An "excellent" start has been made in the current year. Production and turnover are up on last year's figures and profit margins have been maintained despite the rigid application of the Price Code, he adds.

Outlook at Hickson & Welch

IN HIS interim statement, the chairman of Hickson & Welch (Holdings), Mr. T. Harrington, tells members that the improvement in trading conditions in the chemical industry has come somewhat earlier than expected and the results reflect this trend.

As reported on June 4 first-half pre-tax profits rose from £2.1m. to £3.01m. on turnover up from £20.99m. to £24.14m. and the interim dividend is lifted from 3p to 3.5p net. Last year's total was 8.5p net from profits of £4.63m.

Mr. Harrington says it is difficult to predict whether the improvement will be maintained. But if the recovery continues, second-half profit "should exceed that of the first".

Lewis's Trust progress

Pre-tax profit of Lewis's Investment Trust increased from £9.07m. to £11.44m. in the year to January 31, 1976.

Turnover from the department stores expanded from £122.15m. to £146.8m., giving trading profits of £11.96m. (£9.64m.), sales of food manufacturers and distributors was £9.5m. (£4.15m.) and profit £0.67m. (loss £51,000). The ultimate holding company is Sears Holdings.

	1975-76	1974-75
Departmental sales	146,800	122,150
Food, etc.	9,500	4,150
Departmental profit	11,960	9,640
Food, etc.	670	(51,000)
Non-trading credits	185	484
Pre-tax profit	12,815	9,664
Taxation	(651)	(496)
Dividends	3,800	3,325
Retained	8,364	5,843

Better 2nd half for Atkins Bros.

GROUP PROFIT, before tax, of Atkins Brothers (Retail), increased from £540,333 to £546,883 in the year to March 31, 1976, after a sharp downturn from £545,641 to £50,813 at halfway.

Considering the difficult year, the results achieved, although exceptional years, profit from Seacost has resumed a more normal level, but the contribution at this year will be extremely satisfactory, says Sir James.

The building materials division has returned to its expected higher profit level and reserve production capacity for further growth is available if demand continues.

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Headlam Sims pays more

Footwear manufacturers, Headlam Sims and Coggins achieved record profits of £135,310 for the year to January 31, 1976, compared with £137,529 for the previous twelve months and chairman

Waterford Glass makes good start

AN ENCOURAGING start in the current year has been made at Waterford Glass, but chairman Mr. P. W. McGrath warns that if this situation is to continue, a reasonable stabilisation in the international currency situation and a reduction in the rate of inflation is necessary.

As already announced, the group recorded a 50 per cent. increase in pre-tax profits to £4.7m. in 1975. Sales were up 33.2 per cent. to nearly £60m. with earnings per share at 3.39p up 51 per cent. The total dividend is 2.25p (29) per cent.

The profit improvement came almost totally in the latter part of the year and occurred in all the activities in which the group is involved, states Mr. McGrath.

The group is in a "dramatically stronger" position, he says, with the inclusion in the balance sheet of the £3.8m. surplus arising from a professional revaluation of certain fixed assets and £5.1m. from last year's rights issue. Increased retained profits and some refinancing of bank borrowings on medium and long-term bases have also strengthened the position.

Assuming a special resolution to extend the objects clause of the memorandum of association is passed at an EGM and becomes effective, the directors intend to create and issue £750,000 of 11 per cent. unsecured loan stock (£750,000 in exchange for and the subsequent cancellation of the like nominal amount of 11 per cent. loan stock 1975-76 in Smith Group).

At December 31 bank balances and cash totalled £4.24m. (£0.57m.). Bank overdrafts and short-term loans amounted to £5.60m. (£2.25m.).

A statement of source and use of funds shows an increase in net liquid funds of £6.8m. (£3.90m. decrease).

Doddar Investments Company holds 41.3 per cent. of the issued Ordinary capital.

SPHERE MEETING
The meeting of Sphere Investment Trust will be held at Winchester House, E.C.4, on June 24 at noon. The venue of this meeting was incorrectly given last Friday.

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All of these securities having been sold, this announcement appears as a matter of record only.

New Issue / June, 1976

\$60,000,000

Seafirst Corporation

9½% Sinking Fund Debentures Due 2001
Interest payable December 1 and June 1

Salomon Brothers Keefe, Bruyette & Woods, Inc.

The First Boston Corporation Goldman, Sachs & Co. Kidder, Peabody & Co. Incorporated

Merrill Lynch, Pierce, Fenner & Smith Incorporated Blyth Eastman Dillon & Co. Incorporated Dillon, Read & Co. Inc. Drexel Burnham & Co. Incorporated

Hornblower & Weeks-Hemphill, Noyes Incorporated E. F. Hutton & Company Inc. Kuhn, Loeb & Co. Incorporated

Lazard Frères & Co. Incorporated Lehman Brothers Incorporated Loeb, Rhoades & Co. Incorporated

Paine, Webber, Jackson & Curtis Incorporated Reynolds Securities Inc. M. A. Schapiro & Co., Inc. Incorporated

Smith Barney, Harris Upham & Co. Incorporated Warburg Paribas Becker Inc. Wertheim & Co., Inc. Incorporated

White, Weld & Co. Incorporated Dean Witter & Co. Incorporated Foster & Marshall Inc. Incorporated

L. F. Rothschild & Co. Incorporated Shearson Hayden Stone Inc. Incorporated

Shields Model Roland Securities Incorporated Weeden & Co. Incorporated

World Value of the Pound

The table below gives the latest available rates of exchange for the pound against various currencies on June 7, 1976. In some cases rates are nominal. Market rates are the average of buying and selling rates except where they are shown to be otherwise. In some cases market rates have been calculated from those of foreign currencies to which they are tied.

Exchange in the U.K. and most of the countries listed is officially controlled and the rates shown should not be taken as being applicable to any particular transaction without reference to an authorised dealer.

Abbreviations: (S) member of the sterling area other than Scheduled Territory; (K) Scheduled Territory; (o) official rate; (F) free rate; (T) tourist rate; (nc) non-commercial rate; (n.a.) not available; (A) approximate rate; no direct quotation available; (sp) selling rate; (bg) buying rate; (nom.) nominal; (ex/c) exchange certificate rate; (P) based on U.S. dollar parities and going sterling-dollar rate; (Bk) bankers' rate; (Bas) basic rate; (cm) commercial rate; (cn) convertible rate; (fn) financial rate.

Sharp fluctuations have been seen lately in the foreign exchange market. Rates in the table below are not in all cases closing rates on the dates shown.

Place and Local Unit	Value of £ Sterling	Place and Local Unit	Value of £ Sterling	Place and Local Unit	Value of £ Sterling
Alexandria (S) Egypt	20.40	Germany (S)	4.54	Panama (S)	215.28
Algiers (S) Algeria	101.10	Ghana (S)	1.870	Paraguay (S)	1,000.00
Amman (S) Jordan	1.125	Gibraltar (K)	1.00	Peru (S)	77.625
Andorra (S) France	16.48	Guinea (S)	1.422	Philippines (S)	15.076
Angkor (S) Cambodia	1.125	Greece (S)	22.360	Picnic (S)	1.787
Antigua (S) Caribbean	4.80	Greenland (S)	10.774	Puerto Rico (S)	1.787
Argentina (S) Ar. Pao	(0.41-8)	Guatemala (S)	8.515	Romania (S)	170.75
Australia (S)	1.422	Honduras (S)	1.787	Rwanda (S)	170.75
Austria (S)	13.76	Hong Kong (S)	7.812	S. Africa (S)	4.80
Azores (S) Portugal	20.40	Hungary (S)	1.422	S. Korea (S)	4.80
Bahamas (S) Bah. Doll.	1.125	India (S)	8.515	S. Lanka (S)	4.80
Bahrain (S) Bahrain	1.125	Indonesia (S)	1.422	S. Vietnam (S)	4.80
Barbados (S) Barbados	1.125	Iran (S)	1.422	S. Y. (S)	4.80
Belgium (S) Belgium	1.125	Israel (S)	1.422	S. Y. (S)	4.80
Belize (S) Belize	1.125	Italy (S)	1.422	S. Y. (S)	4.80
Bermuda (S) Bermuda	1.125	Japan (S)	1.422	S. Y. (S)	4.80
Bhutan (S) Bhutan	1.125	Jordan (S)	1.125	S. Y. (S)	4.80
Bolivia (S) Bolivian Pao	1.125	Kazakhstan (S)	1.422	S. Y. (S)	4.80
Bonaire (S) S. A. Bond	1.125	Kenya (S)	1.422	S. Y. (S)	4.80
Brazil (S) Brazilian	1.125	Korea (S)	1.422	S. Y. (S)	4.80
Breton (S) Breton	1.125	Kuwait (S)	1.422	S. Y. (S)	4.80
Buenos Aires (S) U.S. \$	1.125	Laos (S)	1.422	S. Y. (S)	4.80
Burkina Faso (S) C.F.A. Franc	1.125	Lebanon (S)	1.422	S. Y. (S)	4.80
Burundi (S) Burundi Franc	1.125	Libya (S)	1.422	S. Y. (S)	4.80
Cambodia (S) Cambodia	1.125	Madagascar (S)	1.422	S. Y. (S)	4.80
Cameroon (S) C.F.A. Franc	1.125	Malawi (S)	1.422	S. Y. (S)	4.80
Canada (S) Canadian \$	1.125	Malaysia (S)	1.422	S. Y. (S)	4.80
Cape Verde (S) Cape Verde	1.125	Maldives (S)	1.422	S. Y. (S)	4.80
Cayman Islands (S) C.F.A. Franc	1.125	Malta (S)	1.422	S. Y. (S)	4.80
Cebu (S) Cebu	1.125	Mali (S)	1.422	S. Y. (S)	4.80
Chad (S) Chad	1.125	Mexico (S)	1.422	S. Y. (S)	4.80
Chile (S) Chile	1.125	Moldavia (S)	1.422	S. Y. (S)	4.80
China (S) Chinese Yuan	1.125	Mongolia (S)	1.422	S. Y. (S)	4.80
Colombia (S) Colombian \$	1.125	Morocco (S)	1.422	S. Y. (S)	4.80
Costa Rica (S) Costa Rica	1.125	Mozambique (S)	1.422	S. Y. (S)	4.80
Cuba (S) Cuban Pao	1.125	Nicaragua (S)	1.422	S. Y. (S)	4.80
Cyprus (S) Cyprus	1.125	Niger (S)	1.422	S. Y. (S)	4.80
Czechoslovakia (S) Koruna	1.125	Nigeria (S)	1.422	S. Y. (S)	4.80
Denmark (S) Danish Krone	1.125	North Vietnam (S)	1.422	S. Y. (S)	4.80
Dominican Rep. (S) Dominican Pao	1.125	Norway (S)	1.422	S. Y. (S)	4.80
Ecuador (S) Ecuador	1.125	Poland (S)	1.422	S. Y. (S)	4.80
Egypt (S) Egyptian \$	1.125	Portugal (S)	1.422	S. Y. (S)	4.80
El Salvador (S) El Salvador	1.125	Romania (S)	1.422	S. Y. (S)	4.80
Equatorial Guinea (S) Equatorial	1.125	Russia (S)	1.422	S. Y. (S)	4.80
Falkland Is. (S) Falkland Is.	1.125	S. Africa (S)	1.422	S. Y. (S)	4.80
Fiji (S) Fiji \$	1.125	S. Korea (S)	1.422	S. Y. (S)	4.80
Finland (S) Finnish Mark	1.125	S. Lanka (S)	1.422	S. Y. (S)	4.80
France (S) French Franc	1.125	S. Vietnam (S)	1.422	S. Y. (S)	4.80
French Polynesia (S) C.F.A. Franc	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Gabon (S) Gabon	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Gambia (S) Gambia	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Guinea (S) Guinea	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Guinea-Bissau (S) Guinea-Bissau	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Haiti (S) Haiti	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Honduras (S) Honduran Pao	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Hong Kong (S) Hong Kong	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Hungary (S) Hungary	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Iceland (S) Icelandic Krona	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
India (S) Indian Rupee	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Indonesia (S) Indonesian Rupiah	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Iran (S) Iranian Rial	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Iraq (S) Iraqi Dinar	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Israel (S) Israeli Sheqel	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Italy (S) Italian Lira	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Japan (S) Japanese Yen	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Jordan (S) Jordanian Dinar	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Kazakhstan (S) Kazakhstani Tenge	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Kenya (S) Kenyan Shilling	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Korea (S) Korean Won	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Kuwait (S) Kuwaiti Dinar	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Laos (S) Lao Kip	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Lebanon (S) Lebanese Lira	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Libya (S) Libyan Dinar	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Madagascar (S) Malagasy Franc	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Malawi (S) Malawi Kwacha	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Malaysia (S) Malaysian Ringgit	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Maldives (S) Maldivian Rufiyaa	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Mali (S) Mali Franc	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Malta (S) Maltese Lira	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Mexico (S) Mexican Peso	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Moldavia (S) Moldovan Leu	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Mongolia (S) Mongolian Tugrik	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Morocco (S) Moroccan Dirham	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Mozambique (S) Mozambican Escudo	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Nicaragua (S) Nicaraguan Cordoba	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Niger (S) Niger CFA Franc	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Nigeria (S) Nigerian Naira	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
North Vietnam (S) North Vietnamese Dong	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Norway (S) Norwegian Krone	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Oman (S) Omani Rial	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Pakistan (S) Pakistani Rupee	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Panama (S) Panamanian Balboa	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Paraguay (S) Paraguayan Guaraní	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Peru (S) Peruvian Sol	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Philippines (S) Philippine Peso	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Picnic (S) Picnic	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Puerto Rico (S) Puerto Rican Dollar	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Romania (S) Romanian Leu	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
Rwanda (S) Rwandan Franc	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
S. Africa (S) South African Rand	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
S. Korea (S) South Korean Won	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
S. Lanka (S) Sri Lankan Rupee	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
S. Vietnam (S) South Vietnamese Dong	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
S. Y. (S) Sudanese Pound	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
S. Y. (S) Syrian Pound	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
S. Y. (S) Thai Baht	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
S. Y. (S) Tanzanian Shilling	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
S. Y. (S) Ugandan Shilling	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
S. Y. (S) Vietnamese Dong	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80
S. Y. (S) Zambian Kwacha	1.125	S. Y. (S)	1.422	S. Y. (S)	4.80

1973/74 MONEY RATES

1975 MONEY RATES & MONEY NEWS

1976 MONEY RATES, MONEY NEWS & SECURITIES RATES

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W.E. Norton (Holdings) Ltd

1975/76 RESULTS

	1975/76	1974/75
Turnover	£ 000 6,596	£ 000 5,353
Profit before tax, interest and depreciation	503	402
Profit after tax, interest and depreciation	160	129
Profit from special situation	48	—
Dividends	45	36
Profit retained	163	103
Earnings per share	1.99p	1.63p

The results represent the fourth record year in succession in respect of increased turnover and earnings. The demand from UK industry for Machine Tools of the particular types we sell has again improved since last year despite economic uncertainties and this trend has continued to date.



**Market Leaders in
Machine Tool Distribution**

British Aircraft's orders up at £850m.

A HIGH level of activity was maintained by British Aircraft Corporation in 1975 and the intake new orders, although lower than in the previous year, again exceeded the years sales of £207.12m, to leave orders in hand at £850m, against £815m, the directors state.

Liquidity again improved with net cash balances rising from £28.4m, in 1974, to £47.13m. These balances are, however, derived almost entirely from customers' advances and must be applied in due course to the execution of related contracts. Such advances are normally subject to strict guarantees and, until expended, must be kept in readily realisable form, the directors point out.

The substantial forward workload and improved profitability have been the justification for a further increase in investment in new buildings and plant at £7.2m, (£5.6m), with a rise in outstanding authorisations from £4.4m to £5.8m.

Apart from the general activity in commercial aircraft division was adversely affected by the world-wide depression in civil aviation and production of the BAe One-Eleven was kept at a low level. It was not possible to avoid a significant reduction in employment in this division but intensive effort is being maintained to find a basis for participation in new or improved projects in order to take advantage of the expected upturn in civil aviation markets in the 1980s.

On nationalisation the directors state as the Bill has not yet been enacted and compensation cannot be quantified, they believed it is not possible to reflect the potential financial impact of the proposed legislation upon the company and the group.

As known profit, before tax, increased from £24.2m to £29.1m, in 1975.

BARRO EQUITIES

The liquidator's report on Barro Equities, which was wound up in 1968, shows funds in hand at March 31, 1976, of £207,000 out of which ninth distribution of 7p for

each £1 share, requiring £207,000 was paid on April 27.

This made distributions to date £2.03 per share representing total distributed of £2,706,000 which exceeds the liquidator's estimate of total distributions.

John Booth expands to £228,713

STRUCTURAL and welding engineers, John Booth and Sons (Belmont) increased pre-tax profit from £141,983 to £228,713 in the year to March 31, 1976 after a rise from £51,593 to £98,236 in the first half.

Full year earnings are shown to have almost doubled at 11.09p compared with 5.39p and the dividend is lifted from 1.3p to 1.6p net per 25p share.

Turnover rose from £3.55m, in 1975, to £5.55m, in 1976, against £27,000 and minorities (£15,706 (£5,807)). The retained balance is up from £53,847 to £25,653.

Lake View to resume growth

Within the limits set by international economic conditions, as well as accounting and tax developments at home and the strict exchange controls, the directors of Lake View Investment Trust are hopeful that the upward progression of earnings and asset growth should be resumed, says the chairman, Mr C. A. Melnick.

The increased involvement in the Japanese market helped in the rise of 34 per cent, in the 1968, shows funds in hand at March 31, 1976, of £207,000 out of which ninth distribution of 7p for

due before tax for the year ended March 31, 1976 amounted to £12.24m, (£11.32m), with a net dividend of 1.63p (1.51).

At March 31, the investment currency premium represented 12.4 per cent, of total net resources and it has been included in the balance sheet valuation. The 1975 figures have been restated on this basis to make comparison easier.

London and Manchester Assurance Co. holds 28.2 per cent, of the Preference stock. Meetings, Winchester House (21st floor) E.C.4, June 29 at 11.30.

Upturn in second half at Argus

PRE-TAX profit at Argus Press Holdings, controlled by BET, shows a £100,824 advance at £246,277 for 1975 after a fall from £239,200 to £165,509 at halfway.

Yearly earnings per 25p share are up from 3.57p to 4.37p and the final dividend is 2.23p for a 3.475p (3.5p) total. There is also a special dividend of 2.16743p (nil).

This year there is an extraordinary profit of 10.92m, from the sale of property.

	1975	1974
Turnover	£ 110,120	£ 107,710
Pre-tax profit	246,277	239,200
Tax	27,220	108,291
Minorities	16,225	16,225
Extraordinary profit	92,140	—
Attributable	1,051,124	1,134,971
Return	9.5%	10.5%

The wholly owned subsidiary Argus Press reports a pre-tax profit for the year of £448,432 against £364,365. Tax takes £239,200 (£205,291) and minorities £16,225 (£15,706).

The attributable balance is £1,051,124 (£1,134,971) with £88,559 (£6,417) being retained. Earnings per share are shown at 4.37p (£10.85p). The final dividend is 2.23p, making a total of 7.5p (£19.5p); in addition there was a special dividend of 2.16743p (nil).

MINING NEWS

A new deal proposed by British Columbia

BY KENNETH MARSTON, MINING EDITOR

AT LAST, signs are appearing of a more enlightened approach to the mining industry following the excesses practised by some overseas politicians who only began to understand the problems of the industry when its "fat profits" melted with the predictable fading of the 1974 metal price boom.

Australia's new Federal Government, for example, has just announced a relaxation of its foreign investment restrictions, investments, that capital expenditure to be shared by overseas partners.

And in Canada, the recent Federal Budget has provided for the high risk expenses of exploration to be an allowable deduction against tax.

Now comes news that British Columbia's new Mines Minister, Mr. Thomas Waterland, has introduced the awaited Bill in the provincial legislature to repeal the previous administration's harsh royalty system which levied tax on the basis of metal prices alone.

The new Bill proposes a more sensible system whereby the mineral royalty will be replaced by a 17.5 per cent. tax on net mining income.

Mr. Waterland said that for most operations a processing allowance would reduce the tax rate to an effective 14.8 per cent.

He pointed out that the addition of Federal income tax of 27 per cent, and British Columbia income tax of 15 per cent, would bring the maximum tax to 36.8 per cent. This is not a light burden, but at least it is fairer than the existing system which left the Rio Tinto-Zinc group's Lorne mine last year with crumbs of only \$226,000 after provision for tax and royalty had wiped \$7.4m. of the earnings' cake.

GENERAL MINING

In the official documents relating to the increase to 50.1 per

cent, in the Federale Mynbouw- tonnes compared with 3,046 tonnes in the same period of 1974-75.

Tongkah's latest production figure is the best so far reported this year, but the company's five-month total still lags at 846 tonnes against 1,090 tonnes. Sangei Beati two-month total amounts to 173 tonnes against 380 tonnes while that for 11 months of Sangei Way comes out at 477 tonnes against 426 tonnes.

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Welfare's 80p per share for Keith & Henderson

ASSOCIATES DEAL.
Brent Chemical and Co. on June 15 acquired 49 per cent of associates of Gulf International (I.K.) Ltd. 10,000 ordinary shares, £10,000 and bought 20,000 at 25p.

SHARE STAKE
Brent Chemical announces that a 90 per cent of the rent rights in London Trust, non holding 100,000 Ordinary shares, 110 per cent.

optimistic

The reported set-back at Francis Shaw and Co. could be smaller than anticipated by comparison with the profits of 1973, the chairman, Mr. C. B. Drover, told shareholders at the AGM.

Bearing in mind the company's excellent record for many years in export markets, together with the fact that overseas projects for which quotations were being issued this year, he believed the regularly improving trend in the group's profits since the set-back

The directors of Central Province Ceylon Tea Holdings are considering diversification. They have been working on this for some time, a number of disappointments, they say.

Members are told that the task has not been made easier by the impossibility of assessing the value of the tea estate in Sri Lanka until such time as compensation talks are finalised.

Plans are well advanced and it is hoped that more definite information will be available in a few days.

In their report the auditors say that the exact amount of compensation and accrued dividends which will be remitted to the Government will be determined subsequently at the present time.

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INTERNATIONAL COMPANY NEWS + EURO MARKETS

More uncertainty over Hilmar Reksten's future

BY FAY GJETER

UNCERTAINTY CONTINUES in Norway about the future of the Hilmar Reksten shipping company, and Mr. Reksten himself.

The board of the state-backed Loan Guarantee Institute for ships and drilling rigs, which is considering applications from the companies for loan guarantees totalling over half a billion kroner has made some changes in the proposals for a re-organization of the group's structure, put forward jointly by Reksten and his creditors.

It agrees, however, that a new company should be formed in which creditors would have a stake, and which would take over most of Mr. Reksten's ships. Tomorrow, after the continental Whit weekend, the Board will continue its negotiations about the proposals with representatives of the group.

A new development over the weekend was the announcement by the Aker Shipbuilding Group that it was not prepared to reduce its claim on Reksten (amounting to some Kr250m.)

in return for a share in the proposed company. Aker is one of Reksten's two largest creditors, the other being Hambros Bank of London. Aker said it did not want to be in the position of competing with other shipping firms which were customers for its ships.

The future of the company has been made more uncertain by rumours surrounding the investigations of the company's books. This examination is being conducted by the Bank of Norway and Inland Revenue officials and began in mid-May, with the co-operation of Hilmar Reksten himself. It is now reported in Oslo that the investigation has been interrupted after intervention by Hilmar Reksten who refused to allow the inspectors further access to company records. It is reported that the Bank and Revenue officials may seek to bring charges, alleging tax and currency violations, against Hilmar Reksten in order to enable them to continue their investigation.

Kawasaki switches emphasis away from shipbuilding

BY KENNETH GOODING, INDUSTRIAL CORRESPONDENT

KAWASAKI Heavy Industries will be cutting back its shipbuilding operations in the wake of the world crisis by switching emphasis mainly to its machinery division, said Mr. Kiyoshi Yotsumoto, president, while in London.

The group is looking for a 15 per cent. increase in sales this year after the 5.5 per cent. fall to \$1.6bn. in the 12 months to end-March 1976 and should sustain that rate of progress for a few years at least. Before the oil crisis the group was pushing up turnover by 20 per cent. a year.

Last year shipbuilding accounted for 21 per cent. of sales whereas the machinery element was more than one third. In the machinery division, Kawasaki has grouped its process plant business and the manufacture of hydraulic machines, construction equipment and such items as marine steam turbines and marine diesel engines.

Mr. Yotsumoto said it was hoped that the process plant business would prove to be a

very good growth area which could mop up surplus shipbuilding employees. The group was also looking at ways it could adapt its shipbuilding expertise and capacity to the demands of offshore technology—techniques such as welding and dock assembly could be applied for example.

Kawasaki is also putting great emphasis on research and development in the search for new growth products. So far research and development spending is kept at 2 per cent. of sales: "We would like this to grow but spending is connected with potential profit," Mr. Yotsumoto maintained.

The group's capital expenditure is being cut from Yen17m. (\$32.8m.) to Yen16m. (\$30.7m.) in the current financial year. Some 10 per cent. of Kawasaki's total borrowings have been raised in either the U.S. or Europe. The percentage will grow but at the moment the group has no special plans to raise more cash.

Interest paid on total borrowings of ¥300bn. (\$577m.) last

year was ¥28bn. (\$54m.) or an average rate of 9.3 per cent. But Mr. Yotsumoto insisted this was a misleading figure as there was such a wide spread of rates.

In a throw-away remark Mr. Yotsumoto revealed the typical Japanese industrialist's reaction to the fall in the value of sterling. The group would be reducing the yen price of the motor cycles it sells in the U.K. to compensate.

Last year the U.K. took only 12,000 of the 270,000 motor cycles Kawasaki exported and its market share is very low. There are only 50 exclusive U.K. dealers and these will be increased gradually.

Kawasaki also has a technical agreement with Rolls-Royce (1971) to develop a small-sized but large capacity gas turbine engine for domestic production. This is a tiny part of the total business but Mr. Yotsumoto said: "It is a growing field and, though we don't think all the prime movers of ships in the future will be gas turbine, it is important for us to continue development and the study of gas turbines."

Danes order price cuts for Roche

By John Wicks

THE SWISS pharmaceuticals concern F. Hoffmann-La Roche has announced that its Danish subsidiary has been instructed to reduce by 20 per cent. the sales price for its "Psychopharmaceuticals" "Librium" and "Valium," as well as for other competitive products of the same type, by the end of this month.

The investigation is said to be a surprise at this decision, which does not include a similar price reduction order for a corresponding product manufactured by the country's pharmacists and called "Kopexidol." The investigation is said to have been under way for some time, although the Danish Health Board has found no reason to intervene and in a subsequent monopolies procedure, Roche has been given little opportunity to present its case, says the company HQ in Basle.

The prices of these Roche products are said to have risen only marginally since their introduction in the early sixties and have, in view of inflation, fallen in real terms by about 60 per cent. Roche claims. The Danish prices for Librium and Valium are said to be the lowest in Scandinavia.

Further growth at Austria's No. 2 savings bank

BY PAUL LENDVAY

VIENNA, June 7

ERSTE OESTERREICHISCHE Sparkasse, the second largest Austrian savings bank, reports a 24.2 per cent. rise in the consolidated balance sheet total, which at the end of 1975 reached the record level of Sch.30.7bn. (about £960m.). Deposits were up by Sch.5bn. Savings deposits rose by over Sch.3bn. The growth rate of 18.1 per cent. was over the rate registered in 1974. At the end of 1975 total savings deposits surpassed the Sch.20bn. level.

The economic setback last year led in almost all sectors to a slackening of demand for commercial credit. The bank launched selective campaigns to promote consumer spending. With the slogan "New flats in old houses" teams consisting of bank officials, architects and municipal advisers were set up in the various offices which helped to extend a boom in housing loans. The 10-year housing loan up to the limit of Sch.400,000 was a success. During the last year 39,000 new Giro accounts were opened at the bank.

A number of the so-called premium savings accounts (subject to four-year notice and receiving a State bonus) rose by 33,000 last year, a growth rate twice as high as that in 1974. Bond and insurance business was also active but credits expanded only by 11.6 per cent. compared to 1974.

As Director-General Dr. Friedrich Adamek stressed, gross earnings were up by 60 per cent. to Sch.27m. despite the growing pressure on profit margins. He

firmly rejected the idea of a merger of the two major Vienna savings banks, the 10-year-old Dr. Adamek will be re-elected officially at the end of the summer by Dr. Hans Hammer, who is in his mid-thirties and has been deputy director-general since early 1973. Previously he was chief of the economic department of the Girozentrale, the umbrella institute of the savings bank and spent a spell at the IMF in Washington.

Another important person change takes place at the Creditanstalt, Austria's number one bank where Dr. Franz Vranitzky, 38, hitherto an adviser to the Austrian Finance Minister, will be appointed this week by the supervisory board as deputy director-general. After long drawn out negotiations the Social list Government agreed to give him the contract of Dr. Heinrich Treichl, director-general since 1970 for 24 years. As the majority of the capital is held by the Federal State, appointment of the Board are subject to Government approval.

Meanwhile the international factoring company founded 40 years ago jointly by Erste Oesterreichische Sparkasse, Zentralsparkasse, Girozentrale, Bawag and provincial banks, reported a 25 per cent. turnover last year. Capital was increased by Sch.4m. to Sch.10m. Consolidated assets rose to Sch.67m. to Sch.37m. Net profit was Sch.488,000. A 6 per cent. dividend and a 2 per cent. bonus is paid for 1975.

First quarter order shortfall at Ericsson

BY WILLIAM DUFFLORCE

STOCKHOLM, June 7

THE FIRST quarter order intake by L. M. Ericsson, Sweden's multinational telecommunications group, was 20 per cent. down on the first three months of last year.

In the parent company's case the decline was 40 per cent. In the shareholders' report the Board had anticipated a 10 per cent. increase this year over the 1975 order intake of Kr.8.7bn. (£1.1bn.).

Announcing the news of unexpectedly sluggish demand at the annual general meeting, Mr. Rjoberg Lundvall, the managing director, said it would now be very difficult to achieve an improvement in the 1976 order intake.

He did not add to the earlier forecast of a 20 per cent. growth in group sales this year, which would take turnover close to Kr.8.7bn. Earnings last year were Kr.731m. (£92m.) compared with the 1973 top of Kr.840m. In the shareholders' report the Board declined to make a profit forecast for this year in view of the uncertain price and cost situation.

Mr. Lundvall said the recession was persisting longer than one-for-six rights issue and a Ericsson had anticipated but was one-for-four bonus issue.

affecting its competitors as much. Telephone administrations were postponing many of the large orders the group had expected to receive at the beginning of the year, but its success in winning the international competition for the French telephone system and the Nordic data network were a "satisfying test of its strength."

The world telecommunications industry faced a couple of difficult years, in Mr. Lundvall's view. He underlined the importance of Ericsson's strategy in setting up manufacturing subsidiaries abroad, as telephone authorities operating a million apparatuses or more were now seeking to meet their requirements from local industries.

The free export market would shrink considerably between now and 1985. A substantial part of the parent company's exports of components and semi-manufactured parts was already going to manufacturing subsidiaries abroad and this trend would accelerate.

The annual general meeting approved an increase in the share capital from Kr.768m. to Kr.1,068m. (£137m.) through a one-for-six rights issue and a Ericsson had anticipated but was one-for-four bonus issue.

Lloyds Bank Group now in Bahrain.

Lloyds Bank International are pleased to announce the opening of their branch in Bahrain.

The new branch, established under the Offshore Banking Scheme, provides a wide range of banking services and is responsible for the development of all aspects of the international business of the Lloyds Bank Group in the States of the Gulf. This will enable Lloyds Bank International to play an active role in the growth of this new and important financial centre.

The Group already has branches and offices throughout Western Europe and Latin America in addition to a strong presence in the Pacific Basin and the United States.

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Tax slices earnings rise at Afrox

By Our Own Correspondent

JOHANNESBURG, June 7. AFRICAN OXYGEN'S interim report to March 31 shows a near 21 per cent. rise in turnover to R65.9m. and a boost in pre-tax profits to almost R5.5m. (R4.2m.). Tax unfortunately, incorporating a retrospective assessment for the recently imposed higher surcharge and loan levy, took virtually a 50 per cent. bite—almost R2.8m. (R1.8m.)—leaving just under R3m. (R2.5m.) attributable to equity. Earnings, discounting extraordinary items, translate to the (R5c) and the mid-year payout has been boosted fractionally to 5.5c (5c).

The company reports that demand in the engineering sector (accounting for the major slice of Afrox's business) remained firm, largely to activity in the mining and capital goods sector. However, these latest figures are devoid of any real contribution from the group's Western Industries or Silicon Smelters subsidiaries.

Chairman Ian MacKenzie reports that "in view of the present high level of inflation, the directors considered it prudent to make provision against profits of R750,000 for the increased replacement cost of fixed assets." This move, in effect, shaves the net earnings figures to below 3c and no doubt accounts for the continued conservative dividend policy.

There is no indication from the directors as to what can be expected during the second half.

Temperatures rise on the takeover scene

BY JAMES FORTH

SYDNEY, June 7

TWO CONTESTED takeover bids in Australia hotted up today. The electrical appliance group Vulcan Industries, which is trying to acquire Braemar Appliances from Davleco Steamship was originally opposed by the Edward A. Green Charitable Foundation, which dropped out of the bidding when A. V. Wehl came up with a counter offer. The foundation has apparently agreed to offer its 28 per cent. stake in Via to Wehl.

Adelaide Steamship originally offered \$A120 for each Via share.

It has now been forced to lift its bid to \$A145 to match the Wehl price. However, Wehl withdrew his formal offer and went into the market at \$A180 a share. To-day, however, the price has risen to \$A183 with 9 per cent. of the capital changing hands. Both sides denied they had any part in bidding the shares to these prices and blamed speculators. As Wehl claimed it bought a large percentage of to-day's sales before the price jumped sharply, there can be very few shares left unaccounted for in Via. It seems that Adelaide Steamship and Wehl will have to do some talking to each other soon.

newly acquired shareholding in Davleco to vote against the National deal. At the same time Vulcan is not sure whether it would be able to purchase the Braemar division as it is waiting on the first four months of the year. Foreign sales increased by 38 per cent., moving ahead of sales in Sweden, where the increase was only 1 per cent. Managing director Arne Wegert is maintaining his forecast of an 18 per cent. growth in both sales and earnings this year writes William Dufflorce.

NJA deficit NORRBOITENS Jarverk (NJA), the Swedish state-owned steel company, whose managing director resigned earlier this year in a controversy over the building of a new steel works, has run at a loss of \$A125m. (\$25m.) during the first four months of the year, according to reports from its north Swedish headquarters at Lulea. Losses for the whole year are expected to reach Kr.250m. compared with Kr.180m. last year, writes William Dufflorce.

Mr. Per Oluf Boman, the new managing director, confirmed the report but declined to release the exact figures before a Board meeting next Friday. NJA, which has specialised in ship's plates and profiles, has been especially badly hit by the slump in shipbuilding and has had orders for more than 100,000 tonnes ship's plate cancelled. It has also been caught with fixed price contracts from 1974 and 1975.

Du Pont suit

THE JUSTICE Department has filed a civil antitrust suit charging E. I. Du Pont de Nemours with using a co-operative advertising programme to suppress price competition among retailers of its Lucite brand paint.

The Department's antitrust division said the effect of the company's co-operative advertising programme — under which Du Pont compensates retailers for money spent advertising Lucite paint — was to fix the minimum prices at which Lucite paint was sold by participating retailers during certain periods of each year.

Panalpina advance

CONSOLIDATED turnover of the Swiss-based forwarding, agent and transport group Panalpina rose 22 per cent. last year to Sw.Fr.1,55bn., writes John Wicks. After a 17 per cent. rise in the group's gross operating profits—which would have been one of 28 per cent. had exchange rates remained unaltered—net profits of the parent company Panalpina Welttransport AG, Binningen, were up to Sw.Fr.3.3m. (\$2m.), from which an unchanged 12 per cent. dividend is to be distributed on capital of Sw.Fr.20m.

Bad debts hit the "Big Six"

BY PETER DUMINY

TOKYO, June 7

BAD DEBTS struck Japan's major trading companies and meant generally lower profits from increased turnover in the 12 months ended March 31. Some of the "Big Six" also had their results dragged down by unsuccessful subsidiaries.

For the Six, aggregate sales were 1.2 per cent. higher at \$126.3bn. and profits before tax and special items dropped by 31 per cent. to \$288.5m., squeezing the average margin to 0.23 per cent. However, there seems to have been a considerable variation in accounting methods and in some cases massive sales of marketable securities, which tend

to make the figures meaningless and comparisons dangerous.

Mitsubishi appears to have performed strongly despite a 32 per cent. pre-tax drop to \$81m. from sales of \$30.5bn. (\$31.3bn.). Among other items, it appropriated \$74bn. in bad and doubtful debt reserves (which it claims were written in excess of actual bad debts) before striking this profit figure and took in no more than \$3m. in profit from sales of securities. Against that, however, subsidiaries and affiliates yielded dividends of \$100m. instead of \$30m., suggesting there may have been some pressure on them to cough up.

On paper, the poorest result was from Dai Nihon, the house which in recent times has combined the strongest of the sheet with the weakest profit performance. This time trading profit is virtually unchanged at \$934m., but that drops to \$86m. (down 11 per cent.) after administrative expenses including \$24m. for bad and doubtful debts.

It is further reduced to \$12m. by interest and other non-operating expenses (net), notwithstanding \$117m. profit from sale of securities. This is a picture before non-recurring items.

Special items include write-offs of \$95m. for loss making subsidiaries and some other classes of bad debt, partly offset by more profit from sale of securities (\$22.5m.), sales of fixed assets and other items. The end result is a loss for the year of \$19.2m. (previous year, earnings of \$12.5m.).

Citibank claims to have made more drastic surgery than some competitors, some of which are writing off their bad debts in instalments.

Mitsui had a disappointing year, which presumably puts paid to any hopes of overtaking Mitsubishi in the near future. Sales were 8.8 per cent. lower than in 1974-75 at \$26.3bn. pre-tax, there was a 59 per cent. decline to \$50.6m. Earnings were \$44.5m., but were arrived at after among other things, profits of \$55.5m. from sales of securities.

Marubeni's sales were 3.7 per cent. up at \$19.2bn., pre-tax profits dropped 13 per cent. to \$25.5m. and earnings were virtually unchanged at \$29.7m.

Sumitomo remained in fifth place despite a 7.7 per cent. increase in sales to \$15.3bn. and fully maintained earnings of \$4.3m. pre-tax, there was a setback of 2 per cent. to \$59.5m. Nishio-Iwai reports a 23 per cent. drop pre-tax to (\$30.3m.) and a 24 per cent. fall in earnings to (\$14.6m.) on sales virtually maintained at \$13.2bn.

The government's decision still leaves open the possibility of participation of minority private interests alongside Petrobras, but such a solution was being discussed recently by officials of the Mines and Energy Ministry.

Third quarter gains by Gulf and Western

Financial Times Reporter

GULF AND Western Industries has announced net third-quarter earnings of \$97.3m., an increase of 84 per cent. over the comparable outcome for last year of \$53.3m. Third-quarter sales rose by just over a third, from \$459.2m. to \$688m.

For the year so far, Gulf and Western now shows earnings ahead by roughly 50 per cent. at \$180m. (\$101.5m.) on sales which have risen from \$1.1bn. to \$2.53bn.—a gain of 3 per cent.

These figures, however, reflect the benefit of contributions from new acquisitions, notably Kayser-Roth Corporation. On an adjusted basis, net sales and earnings would fall to \$241m. and \$23.7m. for the three and six-month periods, respectively. But, adds Gulf and Western, net earnings would not have been materially affected.

Gulf and Western has also decided to extend its tender offer for Signal Company's common stock until June 11. The offer was originally intended to expire on June 4. Gulf is offering to buy 3.9m. Signal shares at \$19.72 per share. So far, the offer has met with lukewarm reception from the holders of Signal common stock and tenders for only 30,000 shares have been received.

Continue

WILLIAM DUFFLORCE
JAMES FORTH
JOHN WICKS
PAUL LENDVAY
PETER DUMINY

Moët-Hennessy

Consolidated turnover for the Group in 1975 was F 1,131,785,000, a 13.2% rise over the previous year. The consolidated trading profit fell 55% from F 82,361,000 in 1974 to F 36,551,000 in 1975. Net adjusted profit shows a similar fall, from F 42,789,000 to F 18,028,000. Cash flow decreased by around 30%, to F 53,675,000 in 1975, as against F 76,408,000 the previous year. Despite this deterioration in results, 1975 represents a landmark in the revival of the Group's economic situation in spite of the adverse consequences of the economic downturn in 1974.

- 1) In an intensely competitive situation, one that has in no way abated since the previous year, the Group has managed to improve its commercial position in all three sectors of activity;
- 2) Our reduced results can largely be accounted for by our deliberately planned commercial policy, and other exceptional causes, which are examined below.

The Commercial Situation in 1975

France
Price competition in the domestic market has been very severe. Supermarkets, and particularly rising sales of low-priced champagnes, have taken a slice out of the merchant houses' traditional share of the market.
In spite of this situation, however, our three brands (Moët & Chandon, Mercier and Ruart) enjoyed a 16% rise in sales volume. Where turnover is concerned, though, the rise amounts to only 9.5%.
The difference is attributable to price reductions and increased sales efforts on the part of the Group.

Abroad
Shipments of our three brands increased by 18.5% in volume terms, compared with a figure of 6.7% for shippers as a whole. This increase has substantially enabled the Group to increase its share of the export trade, from 24.4% to 30.5%.
The fall in average prices in export markets, due to the need to improve sales conditions and to the weakness of the main currencies against the French Franc, has meant that turnover rose less rapidly than volume.
The turnover rose by 13.4% abroad compared with 1974, and totalled F 295,383,000.

Cognac
Our commercial position in this sector slowly began to recover in the course of the year.
In volume terms, Hennessy's French market (which in fact accounts for only 5% of the brand's total sales) showed an increase of 29%. Shipments outside France rose by 11.5%.
This sales recovery has enabled Hennessy to increase its market share (15.2% in 1975 compared with 13.7% in 1974).
If we exclude different transactions during the year, such as the sale of Castillon-Renaud's "cognac" activities (not shown in the consolidated accounts for 1975) and exceptional sales of eaux-de-vie over the past two years, the increase in turnover, other things being equal, was 16.4%.

Perfumes and Beauty Products
Once again in 1975, until August, Parfums Christian Dior's operating conditions were aggravated by the continuing move from Rueil-Malmaison to Orleans, with plants operating in both these places. Despite this handicap, however, sales continued to rise at the same rate as in earlier years.
Consolidated turnover rose by 18.3% from F 232,083,000 in 1974 to F 274,468,000 in 1975.
The reorganization of the American market, which led to the formation of a company in association with Chanel in the course of the year, has already resulted in a sharp improvement in sales, which rose by almost 13%.
Results for the first quarter of 1976 confirm that this recovery is now well under way.

Results
The contrast between rising sales and falling trading results for the Group calls for comment.
1) The Impact of Our Sales Policy
In our view, it was vital in 1975 that we broadened our market shares in order to pave the way for the achievement of satisfactory profitability once the crisis was finally over.
Given the state of the economy in recent months, however, the successful implementation of this policy called for substantial expenditure. The inevitable cut-back in profits resulting from this expenditure was further exacerbated—for a group achieving 80% of its turnover abroad—by permanent monetary instability.

In the course of the year, consequently, the Group's subsidiaries have suffered the consequences of the revaluation of the Franc against the currencies in our principal markets.
The average sale price of Champagne for export fell by 6% compared with forecasts, and by 15% as against the previous year.
Exchange losses were F 8,202,000 for the Group as a whole, representing 0.7% of turnover.
2) The Impact of the Application of Accounting Rules
The fall in profit in the Champagne sector is due to the application of normal accounting procedures in this sector.
Without a detailed explanation, it should be remembered that grape purchase prices affect the average cost price of bottles some two years later.
The price of a kilo of grapes harvested stood at F 6.55 in 1972, F 8.37 in 1973 and F 8.45 in 1974; consequently, bottles sold in 1975 were prepared from grapes bought at a price considerably higher than that for the last harvest. The same will be the case in 1976. The price of grapes fell to F 6.10 in 1975. However, this improvement in supply conditions will only be reflected in bottles sold in 1977.
1975 has therefore suffered from the twin pressures of an automatic increase in the cost price of bottles ready for sale and an unavoidable fall in sale prices.

Under the circumstances, the best that could be hoped for was to offset these difficulties by increasing turnover.
In the case of Cognac, and in view of the fact that wine prices in the Charente have remained stable over the past several years, the prevailing accounting rules have not resulted in the same distortions as described above.

By readjusting our methods of reckoning certain blendings, Hennessy has managed to arrive at a rather more precise notion of the value of its inventories, although this reckoning does not include financial charges.

3) Operating Charges
Excluding supplies, overall operating charges for the Group increased by nearly 14%. In 1975, these included two types of exceptional charges:

a) exceptional charges borne by Parfums Christian Dior in 1975 came to F 7,812,000 for the payment of compensation to personnel and charges arising out of the transfer from Rueil to Orleans.

b) F 3,222,000 resulting from the final closing of the accounts of Christian Dior Parfums. This figure refers to writing-off debts arising from difficult operating conditions this subsidiary had to cope with since formation. This transaction was necessary prior to the formation of our new company in association with Chanel. These two exceptional charges will be eliminated in 1976.

After allowing for the total charges borne in France and for about 80% of those borne by our American subsidiary, gross trading profit for the Parfums sector nevertheless came to F 11,987,000 in 1975 compared with F 8,053,000 in 1974, an increase of 48.9%.

b) charges resulting from the setting-up of our Californian subsidiary (which will be marketing its first bottles, as planned, in 1977) amounted to F 1,220,000. Accumulated charges since the end of 1973 stand at F 2,018,000.

Taken together, the charges listed above have reduced post-tax profits for the Group by around F 2 million.

The Outlook for 1976
The sales recovery begun in 1975 has persisted and developed.

Turnover for the Group on 31st March stood at F 285,602,000, the respective increases over last year being: 32% for Champagne; 30% for Cognac; 26% for Parfums.

The Group ceased marketing Heineken Beers from 1st January 1976; comparable figures, therefore (i.e. excluding beer sales figures for 1975), would show a 48% increase in sales in the Champagne sector.

Even taking into account the fact that Champagne and Cognac sales were abnormally poor in the first quarter of 1975, and assuming these percentage rises are not going to persist throughout the remainder of the year, our sales position may henceforth be considered satisfactory and comparable to sales achieved by these two sectors in 1973.

Assuming the general economic climate continues to improve and that, consequently, it becomes possible for us to bring about a certain readjustment in our sales conditions, we ought to be able to count on a satisfactory increase in turnover in 1976.

Where our results are concerned, we believe we can hope for an upturn enabling the current year to stand as a turning-point along the Group's road back to overall profitability.

This expectation is based in the first place on the rise in sales and, secondly, on a return to normal operating conditions for Parfums Christian Dior.

In 1976, Parfums Christian Dior will also be relieved of the burden of dual operating charges borne over the past few years. In addition, Dior's American subsidiary, with a 43% rise in sales as of 31st March 1976, can at least expect to break even this year.

It should nevertheless be borne in mind that the cost price of Champagne will still be based on grape prices of over F 8 per kilo, and that this will inevitably compromise results in this sector.

Improvement of our results is naturally subject to two conditions:

1) that the international monetary situation does not deteriorate beyond a certain point;

2) that supply conditions in the Charente region are not further damaged by over-production, since this would place both shippers and growers in an extremely awkward situation with regard to the disposal of eaux-de-vie produced in 1976.

The measures taken over the past few years can now be expected to compound a good and should enable the Group to recover its traditional rates of profitability, only henceforth on a sounder footing.

Finally, 1977 will bring benefit from the commencement of our installations in Brazil and the United States, the virtually automatic improvement of our Champagne results and the development of new markets for our three sectors of activity.

مكتبة الأصغر

All of these Securities have been sold. This announcement appears as a matter of record only.

\$200,000,000

Commonwealth of Australia

\$75,000,000 Five Year 8¼% Bonds Due 1981

\$50,000,000 Ten Year 8¼% Bonds Due 1986

\$75,000,000 Twenty Year 9½% Bonds Due 1996

Interest payable June 1 and December 1

MORGAN STANLEY & CO.

- | | |
|---------------------------------------|---|
| THE FIRST BOSTON CORPORATION | GOLDMAN, SACHS & CO. |
| MERRILL LYNCH, PIERCE, FENNER & SMITH | SALOMON BROTHERS |
| BACHE HALSEY STUART INC. | BLUTH EASTMAN DILLON & CO. |
| DREXEL BURNHAM & CO. | HORNBLLOWER & WEEKS-HEMPHILL, NOYES |
| E. F. HUTTON & COMPANY INC. | KIDDER, PEABODY & CO. |
| LAZARD FRERES & CO. | LEHMAN BROTHERS |
| PAINE, WEBBER, JACKSON & CURTIS | LOEB, RHOADES & CO. |
| SMITH BARNEY, HARRIS UPHAM & CO. | REYNOLDS SECURITIES INC. |
| WHITE, WELD & CO. | WERTHEIM & CO., INC. |
| ABD SECURITIES CORPORATION | DEAN WITTER & CO. |
| BASLE SECURITIES CORPORATION | BANQUE NATIONALE DE PARIS |
| ROBERT FLEMING | EUROPARTNERS SECURITIES CORPORATION |
| KUWAIT INVESTMENT COMPANY (S.A.K.) | ROBERT FLEMING HILL SAMUEL SECURITIES |
| NEW COURT SECURITIES CORPORATION | KLEINWORT, BENSON |
| SKANDINAVISKA ENSKILDA BANKEN | KREDIETBANK N.V. |
| UBS-DB CORPORATION | MORGAN GRENFELL & CO. |
| DAIWA SECURITIES AMERICA INC. | J. HENRY SCHRODER WAGG & CO. |
| NOMURA SECURITIES INTERNATIONAL, INC. | SOGEN-SWISS INTERNATIONAL CORPORATION |
| VEREINS-UND WESTBANK | BANQUE EUROPEENNE DE TOKYO S.A. |
| ULTRAFIN INTERNATIONAL CORPORATION | WARDLEY |
| | THE NIKKO SECURITIES CO. |
| | PICTET INTERNATIONAL |
| | YAMAICHI INTERNATIONAL (AMERICA), INC. |
| | NEW JAPAN SECURITIES INTERNATIONAL INC. |
| | R. NIVISON & CO. |

June 3, 1976.

All of these Securities have been sold. This announcement appears as a matter of record only.

\$200,000,000

Continental Oil Company

8½% Debentures Due 2001

Interest payable December 1 and June 1

MORGAN STANLEY & CO.

- | | |
|---------------------------------------|-------------------------------------|
| THE FIRST BOSTON CORPORATION | GOLDMAN, SACHS & CO. |
| MERRILL LYNCH, PIERCE, FENNER & SMITH | SALOMON BROTHERS |
| BACHE HALSEY STUART INC. | BLUTH EASTMAN DILLON & CO. |
| DREXEL BURNHAM & CO. | HORNBLLOWER & WEEKS-HEMPHILL, NOYES |
| E. F. HUTTON & COMPANY INC. | KIDDER, PEABODY & CO. |
| LAZARD FRERES & CO. | LEHMAN BROTHERS |
| PAINE, WEBBER, JACKSON & CURTIS | LOEB, RHOADES & CO. |
| SMITH BARNEY, HARRIS UPHAM & CO. | REYNOLDS SECURITIES INC. |
| DEAN WITTER & CO. | WERTHEIM & CO., INC. |
| | WHITE, WELD & CO. |
| | WARBURG PARIBAS BECKER INC. |

June 4, 1976.

All of these Securities have been sold. This announcement appears as a matter of record only.

4,500,000 Shares

Continental Oil Company

Common Stock

(\$5 per share)

MORGAN STANLEY & CO.

- | | |
|---------------------------------------|--|
| THE FIRST BOSTON CORPORATION | MERRILL LYNCH, PIERCE, FENNER & SMITH |
| BACHE HALSEY STUART INC. | BLUTH EASTMAN DILLON & CO. |
| DREXEL BURNHAM & CO. | GOLDMAN, SACHS & CO. |
| HORNBLLOWER & WEEKS-HEMPHILL, NOYES | E. F. HUTTON & COMPANY INC. |
| KIDDER, PEABODY & CO. | LAZARD FRERES & CO. |
| LEHMAN BROTHERS | LOEB, RHOADES & CO. |
| REYNOLDS SECURITIES INC. | PAINE, WEBBER, JACKSON & CURTIS |
| WERTHEIM & CO., INC. | SMITH BARNEY, HARRIS UPHAM & CO. |
| ABD SECURITIES CORPORATION | DEAN WITTER & CO. |
| EUROPARTNERS SECURITIES CORPORATION | ROBERT FLEMING |
| NEW COURT SECURITIES CORPORATION | KLEINWORT, BENSON |
| SOGEN-SWISS INTERNATIONAL CORPORATION | J. HENRY SCHRODER WAGG & CO. |
| COUNTY BANK LTD. | UBS-DB CORPORATION |
| NOMURA SECURITIES INTERNATIONAL, INC. | PICTET INTERNATIONAL |
| THE NIKKO SECURITIES CO. | DAIWA SECURITIES AMERICA INC. |
| ULTRAFIN INTERNATIONAL CORPORATION | SUEZ AMERICAN CORPORATION |
| | YAMAICHI INTERNATIONAL (AMERICA), INC. |

June 4, 1976.

Third quarter gains by Gulf and Western

WALL STREET OVERSEAS MARKETS FOREIGN EXCHANGES

Further 5.8 loss on prime rate rise

BY OUR WALL STREET CORRESPONDENT

FURTHER LOSSES were recorded on Wall Street today, when the prime interest rate rose to 7 1/2 per cent, stated by Citicorp on Friday, spread through the banking industry.

The Dow Jones Industrial Average dipped another 5.1 to 958.09 and the NYSE All Common Index lost a further 26 cents to 92.72, while losses outpaced gains by a near three-to-one margin.

Some selling was also attributed to new doubts about the fiscal viability of the City of New York.

In the day's economic news, the U.S. Commerce Department said business plans to increase spending on plants and equipment 7.2 per cent this year from last year's 4.7.

The Federal Reserve reported that consumer instalment credit rose again in April, although the increase was smaller than the previous month's.

Merrill-Knudson dropped 3 1/2 to 219 1/2—it was the prime cost

tractor in the construction of the Edison Dam, which collapsed over the weekend.

General Motors 3 1/2 to 89 1/2, General Dynamics 3 1/2 to 83 1/2, McDonnell Douglas 3 1/2 to 82 1/2, and Boeing 3 1/2 to 81 1/2.

However, some banking issues rose. Citicorp went up 1 1/2 to 83 1/2 and J. P. Morgan 1 1/2 to 81 1/2.

Banking climbed 1 1/2 to 81 1/2, a report that it appears to have an "excellent" chance at a solid profit this year.

Anderson Clayton moved up 1 1/2 to 81 1/2, its raised quarterly dividend to 40 cents (30 per share).

Steel was narrowly mixed. United Nuclear moved ahead 1 1/2 to 82 1/2 on a price report on forecasts of a fuel shortage for U.S. nuclear plants in a decade or two.

The American SE Market Value Index fell 0.54 to 101.96, while declines led advances by 43 to 170.

Ola Industries slumped 3 1/2 to 85 1/2, its headquarters was destroyed by fire last week.

Houston Oil and Minerals gained 1 1/2 to 86 1/2.

Syntex picked up 1 1/2 to 82 1/2 on news of a new stock issue.

new prescriptions written for its anti-inflammatory drug, Naprosyn.

OTHER MARKETS

Canada again lower

With the exception of Basic Metals, which rose 0.72 to 80.49 on index, Canadian Stock Markets also lost further ground yesterday.

The Industrial Share Index dipped 1.21 to 138.21, Gold 0.29 to 300.82, Western Oil 3.80 to 234.96, Utilities 0.36 to 142.87.

Markets in the following countries were closed yesterday: Austria, Belgium, Denmark, France, Luxembourg, Netherlands, Norway, Spain, Sweden, Switzerland and West Germany.

Banks 2.09 to 243.03 and Papers 0.34 to 122.59.

Among Western Oil & Gas, Valero Industries dropped 1 1/2 to 32 1/2, and Dome Petroleum fell 1 1/2 to 31 1/2.

Moore gave up 1 1/2 to 84 1/2 and Bank of Nova Scotia eased 1 1/2 to 84 1/2.

Alcan Aluminum rallied 1 1/2 to 82 1/2, after falling nearly 50 on Friday on news of labour problems at its smelters.

MILAN—Easier at the day's close on profit-taking.

Bonds were quiet but fairly steady.

HONG KONG—Mixed in light trading.

Most investors were cautious because of the lack of encouraging economic news both locally and overseas.

Hong Kong Bank moved up 20 cents to HK\$18.00, Hong Kong Telephone 10 cents to 19.70 and China Light 10 cents to 20.20.

Hong Kong Land rose 50 cents to HK\$7.00, Wheelock 2 1/2 cents to 2.20 and Hong Kong and Kowloon Wharf 10 cents to 16.00.

TOKYO—Market closed higher in fairly active trading on sustained selective demand, although the spread was curbed by the profit-taking. Volume 300m.

Electricals and Consumer-Related shares attracted interest. Petroleum was also higher.

Also moving higher were Foods, Oils, Cements, Paper-Pulp and Steels. Cement and Newspaper Producers are said to be seeking new markets.

Light Electricals and Motors fell.

Wacoal rose Y50 to Y1470, Mitsubishi Y13 to Y473 and Isetan Y20 to Y370.

Housing rose; Hasegawa Komatsu added Y28 to Y1,580 and Sekisui Preship Y30 to Y1,380.

Adams moved up Y25 to Y540, Kofu Y23 to Y362, Ito Ham Y19 to Y286, and Murata Y70 to Y1,090.

Renown put on Y31 to Y679 on plans for a new stock issue.

Matsushita Kotohiki were down Y31 to Y2,070, Kyoto Ceramic Y30

NEW YORK, June 7.

STERLING gained ground sharply against the dollar, compared with the dollar's previous day.

Swiss franc gained 1 cent to close at \$1.724-1/2. The Kruggerand's premium over its gold content widened to 3.62 p.c. from 3.45 p.c. for domestic delivery, and narrowed to 3.23 p.c. from 3.65 p.c. in international dealings.

Sterling opened at \$1.7210-1.7230 and was steady between \$1.7220 and \$1.7230 throughout the morning and early afternoon. After the terms of the credit facility were announced, the pound moved up sharply to \$1.7250 and then to \$1.7260, a best level of \$1.7300-1.7310 after the miners' vote.

At the close sterling stood at \$1.7265-1.7280, a gain of 4.03 cents on the day.

The pound's trade-weighted average depreciation, as calculated by the Bank of England, narrowed to 39.8 p.c. from 41.3 p.c., after standing at 41.1 p.c. at the end of 1975.

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Trading was fairly quiet during the morning, because most European centres were closed for a public holiday.

The U.S. dollar was weaker against most major currencies, and its trade-weighted average depreciation since December 1971, as calculated by Morgan Guaranty of New York, widened to 1.30 p.c. from 1.03 p.c. on Friday.

The Swiss franc was fairly steady, closing at Sw.Frs.2.4575.

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NEW YORK, June 7.

STERLING gained ground sharply against the dollar, compared with the dollar's previous day.

Swiss franc gained 1 cent to close at \$1.724-1/2. The Kruggerand's premium over its gold content widened to 3.62 p.c. from 3.45 p.c. for domestic delivery, and narrowed to 3.23 p.c. from 3.65 p.c. in international dealings.

Sterling opened at \$1.7210-1.7230 and was steady between \$1.7220 and \$1.7230 throughout the morning and early afternoon. After the terms of the credit facility were announced, the pound moved up sharply to \$1.7250 and then to \$1.7260, a best level of \$1.7300-1.7310 after the miners' vote.

At the close sterling stood at \$1.7265-1.7280, a gain of 4.03 cents on the day.

The pound's trade-weighted average depreciation, as calculated by the Bank of England, narrowed to 39.8 p.c. from 41.3 p.c., after standing at 41.1 p.c. at the end of 1975.

The pound's trade-weighted average depreciation, as calculated by the Bank of England, narrowed to 39.8 p.c. from 41.3 p.c., after standing at 41.1 p.c. at the end of 1975.

Trading was fairly quiet during the morning, because most European centres were closed for a public holiday.

The U.S. dollar was weaker against most major currencies, and its trade-weighted average depreciation since December 1971, as calculated by Morgan Guaranty of New York, widened to 1.30 p.c. from 1.03 p.c. on Friday.

The Swiss franc was fairly steady, closing at Sw.Frs.2.4575.

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Nuclear referendum in the Californian crucible

From LLEWELLYN KING, San Francisco

CALIFORNIA DOES not have the intellectual establishment that makes New York a unique American resource, but it does have a sense of liberation that has made it the crucible for new ideas. Just as its strawberries and tomatoes grow unusually fast and large in the fertile soil and indulgent climate, so ideas, movements, religions, sects, lifestyles and trends flourish along the Pacific.

One of the latest enthusiasms to blossom is for a referendum on whether the State shall forbid further nuclear power stations.

California, rather than New York, is the nursery for American social change. It has fostered the casual dress code, the geodesic dome, drive-in banks and super-highways. Because all the forces that make up the California mix have had different periods of ascendancy, the state has steered an erratic course.

What is certain about California is that what takes place there generally creeps slowly across the U.S. until, five years after it is tried in California, it is accepted thinking nationwide. For these reasons, it is no surprise that California should be putting nuclear power on trial to-day and it is with well-founded apprehension that the nuclear industry and the Federal Government are watching the outcome.

The so-called Nuclear debate in the U.S. is nearly 10 years old and it has grown progressively in scope and ferocity to its most critical level in California. Initially, the opposition to civilian nuclear power in America—where 9 per cent. of electricity generation is now from nuclear plants—was confined to concerns near proposed power plants. This centred on the procedure for licensing a nuclear plant, a public, quasi-federal hearing. But at the beginning of the decade, the local environmental and consumer groups which opposed nuclear plants on safety grounds began to coalesce into a national federation of "anti-nukes".

The battle began when Mr. Ralph Nader became the titular head of the opposition to nuclear power. He brought with him a network of individuals—mostly young people and intellectuals—who gained wide experience in combating official policy in the opposition to the Vietnam war and in the environmental movement.

Sponsors

There now are hundreds of organisations which to some extent are opposed to nuclear power. They vary from the conservation-oriented Sierra Club to Another Mother for Peace, a hangover from the anti-Vietnam war struggle. Many other anti-nuclear groups have been formed under a variety of often misleading names such as Union of Concerned Scientists; Businessmen in the Public Interest; the Natural Resources Defense Council and even the Isaac Walton League.

The opposition has become so institutionalised that it has its own publications and sponsors an annual convention in Washington called *Critical Mass*. Initially, all these groups advocated various reforms such as prohibiting the release of pollutants and revised operating procedures to overcome alleged deficiencies in systems like emergency core cooling. (In U.S. type light water reactors this is the ultimate safety mechanism for preventing the melting of fuel in a reactor, in the remote event that it should lose all its cooling fluid.)

As the anti-nuclear movement grew in power and sophistication, it became more political, and to a great extent has succeeded in making limited nuclear growth a tenet of liberal philosophy. As it also broadened its attack, the nuclear industry began to feel its impact through long licensing delays resulting in increased costs, and through a series of time-consuming court cases. With the polarisation of the nuclear debate along political lines, opposition to nuclear power has become an act of faith for the left-wing in American politics and as such, only the very largest philo-

sophical issues are raised. These involve the morality of creating nuclear wastes and of promoting a technology that would lead to the proliferation of nuclear weapons in the Third World.

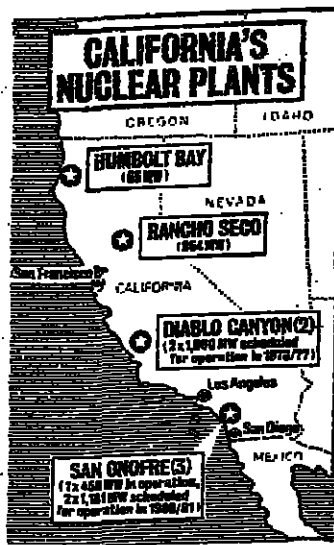
But it took the inventiveness of California to find a device that might stop in its tracks the entire development of the atom. This device is called Proposition 13.

To by-pass corrupt legislatures, certain western states decided in the early part of the century to allow issues of controversy to be settled by referendum. These referenda are known as "initiatives" and their eligibility for the ballot is determined by a petition process based on a percentage of the registered voters. A group of California nuclear opponents had the idea of deciding the nuclear issue through referendum and they were successful in getting a question on to-day's ballot, known as Proposition 13 because of its numerical place on the paper.

Proposition 13 purports to be a nuclear safety measure, but its opponents—the California electrical utilities and the nuclear industry—claim categorically that it is designed to bring about a nuclear shutdown. Proposition 13, if enacted, would give the nuclear industry five years to prove to the satisfaction of two-thirds of the State legislature that nuclear power plant safety systems would work properly in the case of an emergency, and that fool-proof waste disposal mechanisms have been designed.

If two-thirds of the legislature is not convinced of this, then a reduction in permitted output of existing power plants—three in operation, totalling 1,500 MW—by 10 per cent a year would begin immediately.

To its supporters—such as Mr. David Pesonen, a San Francisco public interest attorney—the initiative represents nothing more than "an attempt in California to get some legislative control over decision making." He regards the text of the initiative as a "compromise between those who would prefer an immediate nuclear moratorium and those who want to leave the option open until



Mr. Ralph Nader (right) and his latest targets: sites of existing nuclear power stations in Northern California and incomplete stations further south.



certain questions are resolved." To the opponents—such as Mr. Charles Winner, whose Los Angeles public relations firm, Winner-Wagner, was retained last May by the utilities and nuclear vendors—the initiative is simply a crude attempt to produce a complete nuclear shutdown immediately.

Any effort to pass it off as something else, in Winner's words, is "nothing but pulling the wool over the voters' eyes."

The pro-nuclear forces have waded into the battle with money—\$3m. up to last week—while the opposition had more relied on volunteers, working door-to-door. Money for the pro-nuclear forces has been generated by the nuclear industry throughout the U.S. Some of it has come from major manufacturing companies, which fear that a slowdown in economic growth might result from an arrest in the development of electricity supply. Most of the pro-nuclear money has gone into radio and TV advertising with a well-organised campaign reaching a crescendo last week. The anti-nuclear forces, with an original estimated war chest of under \$1m, also bought air time, but less of it and over a shorter period.

Both sides have maintained election-type headquarters with volunteers working long hours. From either Project Survival or from "No On 13" Californians have been offered speakers, pamphlets and bumper stickers. A visitor driving through California gets the feeling that the nuclear initiative is really a battle of bumper stickers—they are in such profusion.

If there is a heavy Republican turn-out in the fight between Mr. Ronald Reagan and Mr. Ford, then these voters, more conservative by nature, may tip the scale in favour of nuclear power. However, if supporters of California's liberal governor, Mr. Jerry Brown, turn out en

masse to help him in his may fight against Mr. Jim Carter, then nuclear power is just lost.

If this is the case in California, it will send a message throughout the country that nuclear power is a vote-losing concept. And it is what the industry fears. Opponents can point to a State which has democratically renounced the nuclear option on their way to defeat nuclear energy nationally—at a time when energy experts claim the U.S. has no hope of energy survival except through a greater reliance on uranium and coal.

Ironically, even if they today's referendum the California utilities will still be themselves considerably strained. Last week the California Legislature passed through three Bills which provide stringent regulations nuclear power, although they are not regarded as being severe in their impact as Proposition 13.

The Bills require that, before additional construction nuclear plant could be ordered by the California Energy Commission, there should be fully approved technology spent-fuel handling and disposal. The State Energy Commission would have to determine that such technology exists, and the Legislature would have 100 legislative days to reject the verdict, send it back for additional review if it chose.

The Energy Commission would have to deliver a recommendation after one year study of the desirability placing reactors underground increase their margin of operating safety. The Legislature would have to review and judgment on that verdict well. But projects that embarked on the licensing process before mid-1979 would be exempt from this last clause.



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U.K. tractor exports higher

By Our Commodities Editor

EXPORTS OF U.K. tractors and agricultural machinery leapt by 20 per cent in 1975, in the first six months of the year, according to figures issued yesterday by the Agricultural Imports and Exports Association. Exports during the same period rose by only 22 per cent, so that the net balance of trade in tractors rose by 41 per cent, to £132.2m, compared with £93.8m in January-April 1975.

Mr. John Richmond, new president of the Association, said the rise in exports was due to a number of factors, including the fact that the value of sterling was helping to boost exports. He also pointed out that the Association's members had been working hard to improve their products. Because of a dealer network system, however, there was a time lag as the Association's members were cleared out.

Mr. Richmond admitted that a proportion of the increase was due to the fact that the value of sterling was helping to boost exports. He also pointed out that the Association's members had been working hard to improve their products. Because of a dealer network system, however, there was a time lag as the Association's members were cleared out.

Sterling recovery puts pressure on commodities

By JOHN EDWARDS, COMMODITIES EDITOR

A GENERALLY weaker tone in London commodity markets yesterday followed a rise in the value of sterling. But trading conditions were generally quiet in view of a public holiday on the Continent.

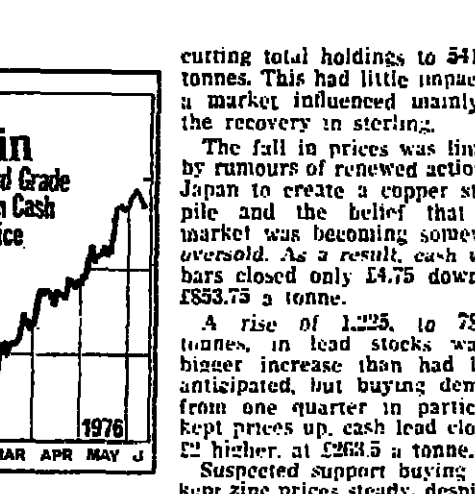
On the cocoa futures market, the nearby July position fell by 200 to 2,430 a tonne, while the September position moved lower. The September position closed 119 down, at £1,495 a tonne. Coffee and sugar prices also fell earlier gains as sterling strengthened.

On the London Metal Exchange, sterling was the dominant feature, depressing prices for a change.

Tin continued the slide started on Friday, the cash price falling further, 25s. to 2,430 a tonne, below the peak of £4,432 reached last week. Although the market rallied in the afternoon, renewed selling pressure again developed and prices fell further on the last day.

At the end of the day, tin stocks held in LME warehouses, including total holdings to 9,885 tonnes, had little impact on the market since the decline in line with market expectations and had already been discounted.

In addition to the earlier trend in Penang over the week-end, however, further selling by the buffer stock of the International Tin Council was also reported. As expected, copper stocks showed a small fall of 775 tonnes.



Credit curb worries coffee men

RIO DE JANEIRO, June 7

BRAZILIAN COFFEE circles are concerned at the Brazilian government's lack of definition on how much recent credit restrictions will affect loans for holding coffee, according to trade sources, reports Reuters.

The sources said there had been no official directive specifically restricting commercial bank loans for coffee growers and exporters. But traders felt the process of renewing financing granted against coffee stored in warehouses was being slowed down because of an undeciphered ruling that applications for this must now be first approved by the central bank.

The feeling that financing against warehouse coffee was being slowed down was partly responsible for recent easier prices in Brazil's interior and export levels, they said.

Our Commodities Staff write that in London, coffee trading was very quiet, with Continental markets closed for national holidays. Robusta prices on the terminal market showed signs of firming around lunchtime, but the firmer tone in sterling wiped this trend in the end. At the close, the September futures position was 11,441 a tonne, down 215.5 on the day.

Drought and labour trouble hit output

BY TONY COZIER IN BRIDGETOWN

CARIBBEAN AGRICULTURE, on the whole, had a disappointing year in 1975, according to a report by the Caribbean Development Bank, just published. Mainly responsible were drought and industrial unrest, both reducing output.

Production of sugar in the Commonwealth Caribbean during the 1974-75 crop year totalled 1,020,000 tons, compared with 1,114,000 in the previous crop year, all countries recording small decreases. The largest fall in output was in Trinidad and Tobago, largely as a result of industrial disputes.

In spite of the decline, however, the value of exports was substantially higher than in the year before. This increase was about 50 per cent, when sugar prices soared and reached a record level of \$50 a ton around the end of 1975.

The volume of banana exports from the region to the U.K. also declined, by about 9 per cent overall. The Windward Islands, which now account for 60 per cent of regional banana exports, recorded a decline of 14 per cent, while in Jamaica the decline was less than 2 per cent.

The first shipment of bananas from Belize (British Honduras) was made in February, 1975. But a severe drought resulted in further shipments of fruit being suspended. Higher export prices were more than offset by the fall in quantity, partly attributable to prolonged drought.

There is evidence that an increasing proportion of Jamaican banana production is being diverted to the domestic market.

A study, financed by the British Government, is being made of the industry in the Windward Islands with a view to improving its performance. However, in view of concerted efforts being made to dismantle the protective regime for bananas in the U.K., the industry faces an uncertain future.

duction of oranges and grapefruit in 1975 declined 73.6 per cent, and 83.1 per cent, respectively. The reasons for these large reductions do not appear to have been determined yet.

In Dominica, exports of grapefruit to Britain—the traditional market—increased marginally. Relatively small, but growing, exports to Holland, the U.S. Virgin Islands and some regional markets.

Prices were relatively good. Problems still remain, however, in packing and grading of fruit, the solution of which could bring in the net returns accruing to the industry.

Cocoa output in Trinidad and Tobago was about 12 per cent, higher than in the previous year, earning £10.4m, while Grenada's production showed a sizeable drop.

While performances in these main sectors of Caribbean agriculture were disappointing, they were not disastrous.

Tax plans affecting land prices

By Our Commodities Staff

UNCERTAINTY OVER the relationship between the Government's proposals on owners of unoccupied and vacant possession land was continuing to affect the country's landowners' Association.

The association's latest land survey shows that the average price for land with vacant possession had fallen to £397 an acre by April 30, from £511 on January 31 and £545 on April 30 last year.

The spokesman pointed out, however, that the decline was due largely to the unusually high proportion (28 per cent) of hill land included in the sample. Taking lowland sales only, the average price was £515 an acre, against £597 last year.

Wool demand continuing strong

MELBOURNE, June 7

IN France, the worsted sector is showing a greater improvement over last year's comparable figures than the worsted sector, although the worsted improvement is from a lower level.

Wool consumption in the U.K. in March rose to the highest level since June 1974, reflecting improved domestic and export demand.

Textile activity in Italy has been at near capacity level since June 1974, also reflecting improved domestic and export demand.

In the U.S., wool consumption is showing a firm upward trend, reflecting the improved economy and retail sales. Worsteds sector consumption in March was almost double the figures of a year earlier and mills are generally booked as far ahead as they will accept orders.

In Taiwan, improved domestic demand has led to a boom in Hong Kong, so strong that available quotas are being quickly used up, which may create problems in the near future.

Australian raw wool exports rose, meanwhile, to 452m kilos, nearly equivalent in the first eight months of the 1975-76 season (to end February) from Reuter.

Drought not hitting crops - Ministry

AREAS AFFECTED by drought in south-east and eastern England, the Ministry of Agriculture says in its crop conditions report for the week ended June 5.

It adds that there are no reports of water shortages adversely affecting agricultural production.

Except for some areas of southern and eastern England, crops look well. Yield expectations should be about average for wheat and about average for barley.

Loan scheme

A NEW LEAN scheme, enabling farmers to buy fertilisers on cash terms at the cheapest seasonal rate and repay at times of peak income, was announced by Midland Bank, operating in conjunction with United Agricultural Merchants, enables dairy farmers to pay cash for fertilisers, bought in June, and repay the loan over 12 months at a flat rate of 10 per cent.

The scheme is effective rate of 13.5 per cent by monthly instalments.

Surge in U.S. soyabean prices

BY OUR COMMODITIES EDITOR

STRONG SPECULATIVE buying interest drove soyabean futures on the Chicago market to the permissible limit yesterday, bringing a general rise in grain markets.

Farmers were reported to be holding off the market, while a further boost to sentiment was given by private crop forecasts. Conrad Leslie, Reuter's Chicago correspondent, said conditions might be developing that could bring a "crash" and extend the soyabean price rally.

Looking at the possible 1976 U.S. soyabean crop, Leslie said that because of the current unfavourable soyabean price relationship to maize and cotton, U.S. farmers had reduced 1976 soyabean acreage to the smallest level—the 46.9m, acres—planted in 1972.

He suggested the actual acreage this year may be down to 48.8m, against the 49.5m forecast by the U.S. Department of Agriculture—and 54.6m, last year.

Leslie also forecast that the total 1976 U.S. wheat crop would be 2,011.5m bushels, down some 122m from the 2,133m, harvested in 1975.

He put the winter wheat crop at 1,480m bushels, based on June 5 conditions. This is slightly higher than the 1,458.9m forecast at the same time in view of the recent upsurge in prices, but well under the record 1,631.2m of a year ago.

Leslie estimated spring wheat at 414.8m bushels, about 54m bushels more than the 1975 season. He estimated durum wheat at 137.9m, against 123.1m, last year.

The USDA is scheduled to release its June winter wheat estimate on June 9. It is planned to include a soyabean crop forecast at the same time in view of the recent upsurge in prices, but well under the record 1,631.2m of a year ago.

Leslie estimated spring wheat at 414.8m bushels, about 54m bushels more than the 1975 season. He estimated durum wheat at 137.9m, against 123.1m, last year.

Fertiliser usage to rise

WASHINGTON, June 7

U.S. Institute's marketing conference Mr. Wheeler forecast that by 1980 total nitrogen stocks will be at a "bin-bottom."

He notes that the industry "is experiencing the pain of over-zealous over-building in phosphates" and says the industry itself must alleviate this problem, and should begin by aggressive marketing. Reuter.

COMMODITY MARKET REPORTS AND PRICES

BASE METALS			
COPPER—LME ground in erratic trading on the London Metal Exchange. Forward metal prices rose to 250.00 on the market. Prices rose to 250.00 on the market. Prices rose to 250.00 on the market.			
3 months	250.00	250.00	250.00
6 months	250.00	250.00	250.00
12 months	250.00	250.00	250.00

SOYABEAN MEAL

Chicago	100.00
London	100.00
Amsterdam	100.00
Antwerp	100.00
Brussels	100.00
Frankfurt	100.00
Hamburg	100.00
Paris	100.00
Rotterdam	100.00
Stockholm	100.00
Switzerland	100.00

MEAT/VEGETABLES

Beef	100.00
Pork	100.00
Lamb	100.00
Chicken	100.00
Veal	100.00
Butter	100.00
Cheese	100.00
Eggs	100.00
Onions	100.00
Potatoes	100.00
Tomatoes	100.00

PRICE CHANGES

Aluminium	250.00
Copper	250.00
Gold	250.00
Iron	250.00
Lead	250.00
Nickel	250.00
Platinum	250.00
Silver	250.00
Tin	250.00
Zinc	250.00

PHARMACEUTICAL COMPANIES

Acetaminophen	100.00
Aspirin	100.00
Codeine	100.00
Diazepam	100.00
Insulin	100.00
Morphine	100.00
Penicillin	100.00
Quinine	100.00
Salicylic acid	100.00
Sulfonamides	100.00

WOOL FUTURES

London	100.00
Amsterdam	100.00
Antwerp	100.00
Brussels	100.00
Frankfurt	100.00
Hamburg	100.00
Paris	100.00
Rotterdam	100.00
Stockholm	100.00
Switzerland	100.00

FINANCIAL TIMES

224.34	225.82	216.07	154.47
224.34	225.82	216.07	154.47
224.34	225.82	216.07	154.47
224.34	225.82	216.07	154.47

CINEMAS (Cont.)

AC & S	100.00
ADAMS	100.00
ADAMS	100.00
ADAMS	100.00
ADAMS	100.00
ADAMS	100.00
ADAMS	100.00
ADAMS	100.00
ADAMS	100.00
ADAMS	100.00
ADAMS	100.00

GRAINS

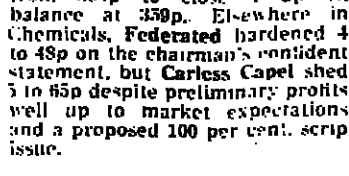
Wheat	100.00
Barley	100.00
Oats	100.00
Rye	100.00
Maize	100.00
Sorghum	100.00
Millet	100.00
Buckwheat	100.00
Rice	100.00
Wheat	100.00

REUTERS

1488.6	1488.6	1488.6	1488.6
1488.6	1488.6	1488.6	1488.6
1488.6	1488.6	1488.6	1488.6
1488.6	1488.6	1488.6	1488.6

Markets move up late following sharp rally in Share index 4.5 higher at 383.0—New long “tap” stock

S.E. Activity	
Low	High
49.16	Daily
10/10	Unlabeled
30.55	Speculate
10/10	Speculate
49.45	Unlabeled
49.40	Unlabeled
43.5	Unlabeled



points since last Wednesday's international Monetary Fund auction.

In the heavyweight market, Reefs dropped a half-point to 214 while falls of 30 points, 10 points and 10 points, respectively, hit the State Guilder (214), the Swiss Franc (214) and the Italian Lira (214).

Overseas-based Prime Minister Harold Wilson's Government has lost a further 217. The London-based exchange has been hit by the strength of U.K. trade.

The Charter improved 5 to 20 point of the annual results, which were generally well met, harder at 215.

Coppers were untested but moved ahead owing to fears of a sharp slump.

The advanced 121 to 122, while the Southern Malaysian rose 8 to 9.

Australians were more

These indices are the joint compilation of the Financial Times, The Institute of Actuaries and the Faculty of Actuaries

Variable	1974-75	1975-76	1976-77
1. Total mortgage	754.11	919.99	919.99
2. One month	87.99	103.49	103.49
3. Two month	103.49	103.49	103.49
4. Three month	103.49	103.49	103.49
5. Four month	103.49	103.49	103.49
6. Five month	103.49	103.49	103.49
7. Six month	103.49	103.49	103.49
8. Seven month	103.49	103.49	103.49
9. Eight month	103.49	103.49	103.49
10. Nine month	103.49	103.49	103.49
11. Ten month	103.49	103.49	103.49
12. Eleven month	103.49	103.49	103.49
13. Twelve month	103.49	103.49	103.49
14. Total	754.11	919.99	919.99

Source: Federal Reserve Board, *Monthly Bulletin*, 1974, 1975, 1976.

1. Total mortgage and finance house loans published by the Federal Reserve Board, *Monthly Bulletin*, 1974, 1975, 1976.

2. One month mortgage loans published by the Federal Reserve Board, *Monthly Bulletin*, 1974, 1975, 1976.

3. Two month mortgage loans published by the Federal Reserve Board, *Monthly Bulletin*, 1974, 1975, 1976.

4. Three month mortgage loans published by the Federal Reserve Board, *Monthly Bulletin*, 1974, 1975, 1976.

5. Four month mortgage loans published by the Federal Reserve Board, *Monthly Bulletin*, 1974, 1975, 1976.

6. Five month mortgage loans published by the Federal Reserve Board, *Monthly Bulletin*, 1974, 1975, 1976.

7. Six month mortgage loans published by the Federal Reserve Board, *Monthly Bulletin*, 1974, 1975, 1976.

8. Seven month mortgage loans published by the Federal Reserve Board, *Monthly Bulletin*, 1974, 1975, 1976.

9. Eight month mortgage loans published by the Federal Reserve Board, *Monthly Bulletin*, 1974, 1975, 1976.

10. Nine month mortgage loans published by the Federal Reserve Board, *Monthly Bulletin*, 1974, 1975, 1976.

11. Ten month mortgage loans published by the Federal Reserve Board, *Monthly Bulletin*, 1974, 1975, 1976.

12. Eleven month mortgage loans published by the Federal Reserve Board, *Monthly Bulletin*, 1974, 1975, 1976.

13. Twelve month mortgage loans published by the Federal Reserve Board, *Monthly Bulletin*, 1974, 1975, 1976.

14. Total mortgage and finance house loans published by the Federal Reserve Board, *Monthly Bulletin*, 1974, 1975, 1976.

st. from Jun. 1, 1976 Clearing Bank
for lending 104.11 per cent. Treasury

10-month 14 1/2 per cent. Approximate selling rate for one-month bank bills
 10-month 14 per cent., for one-month trade bills 11-12 1/2 per cent.
 per cent.
Finance House Bid Rates (published by the Finance House Association)
 Deposit Rate for six months at 10 1/2 per cent. 4 1/2 per cent. **Clearing Bank**
 10-month tender rate of discount 10 1/2 per cent.

at. from June 1, 1970 Clearing Bank
for lending 10 1/2 per cent. Treasury

Cannon - Assurance
Address shown under insurance and
Property Bond table.

at. from June 1, 1970 Clearing Bank
for lending 10 1/2 per cent. Treasury

Cannon - Assurance
Address shown under insurance and
Property Bond table.

at. from June 1, 1970 Clearing Bank
for lending 10 1/2 per cent. Treasury

Cannon - Assurance
Address shown under insurance and
Property Bond table.

مكتبة المجلد

ALL TIMES STOP

Mags. (Scotland) (pub)		01-222 4821 2
1987	11.2	11.2
1988	11.2	11.2
1989	11.2	11.2
1990	11.2	11.2
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2002	11.2	11.2
2003	11.2	11.2
2004	11.2	11.2
2005	11.2	11.2
2006	11.2	11.2
2007	11.2	11.2
2008	11.2	11.2
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2010	11.2	11.2
2011	11.2	11.2
2012	11.2	11.2
2013	11.2	11.2
2014	11.2	11.2
2015	11.2	11.2
2016	11.2	11.2
2017	11.2	11.2
2018	11.2	11.2
2019	11.2	11.2
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2093	11.2	11.2
2094	11.2	11.2
2095	11.2	11.2
2096	11.2	11.2

1997年12月

173	77.6	1.10	—
173	77.6	1.10	—
er Insurance Co. Ltd.			
W12	01-749	2111	—
25.4	49.3	+0.7	—
73.8	78.1	+0.4	—
e Fund Mgmt. Ltd.			
Bus. Horsham	0903	64141	—
12-115.30	119.80	—	—
Canada (U.K.) Ltd.			
SL 58715EH	01-930	5490	—
133.8	—	—	—
162.8	—	—	—
Assurance Co. Ltd.			
Ganevous Ryd., Aylesbury			
Aylesbury (0295) 5941			
106.8	91.5	—	—
70.3	101.9	—	—
93.4	99.0	—	—

BASE
PAT. C

London Life Ins. Co. Ltd.		
1310 2	126 3	01-405 5497
1310 3	126 3	
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OFFSHORE AND OVERSEAS FUNDS

[illegible]

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NOTES

include a premium where
d are in people unless otherwise
the * shown in last column allow
the * response, a Offered price
per share & Today's price & Yield
of price & Estimated % Today's
of a Distribution free of U.K. taxes
include, all expenses except
of a Offered price includes
of a receipt through managers
of a price & Net of tax on realised
info, included by & % of proceeds
dependent & Single premium
info

